

Are American News Magazines
Setting the Agenda for Japan Bashing?
A Content Analysis of Coverage of
Japanese Economic Activities:
1981-1990

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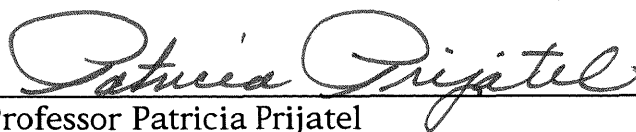
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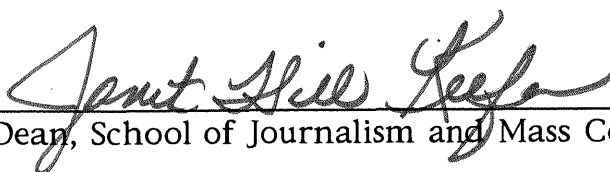
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Dean, School of Journalism and Mass Communication

It is hard to let old beliefs go. They are familiar. We are comfortable with them and have spent years building systems and developing habits that depend on them. Like a man who has worn eyeglasses so long that he forgets he has them on, we forget that the world looks to us the way it does because we have become used to seeing it that way through a particular set of lenses. Today, however, we need new lenses. And we need to throw the old ones away.

--Kenichi Ohmae, *The Borderless World*

In the biological universe, however, perception is at the center. And it can--indeed it must--be trained and developed. We do not hear "C" "A" "T"; we hear "cat."

--Peter F. Drucker, *The New Realities*

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Abstract of a Thesis by
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August 1994
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Des Moines, Iowa

According to the longitudinal survey results annually conducted by the Japanese Foreign Ministry, American attitudes toward Japan as a dependable ally began deteriorating in the middle of the 1980s. In the same decade, the Japanese economy received heavy coverage from the U.S. media.

Manheim positions *valence*--"the general sense of favor, neutrality, or disfavor associated with the portrayal of a given subject" in transference of general negativity to the public--as one of the three important dimensions of the media agenda. In this sense, it was hypothesized that the three American news magazines (i.e. *Time*, *Newsweek*, and *U.S. News and World Report*) may have intensified the negativity of their coverage of Japanese economic activities in the 1986-1990 period.

Also, subscription circulation indicates the amount of financial resources available for deeper investigation that may eliminate unbalanced coverage. Thus, it was predicted that the investigative and reporting performance would have been more balanced in the order of *Time*, *Newsweek*, and *U.S. News and World Report*.

From the agenda-setting standpoint, only the number of "war"-related words the media often used showed a significant increase for the 1986-1990 period. The causal direction from the media to the public remains unclear in this research. Nevertheless, assuming the existence of this causality based on the public's heavy dependence on the media, the choice of language may affect the transferability of negativity as well as the public issue salience. On average, the public was expected to see "war"-related words more than twice both per article and per page in the 1986-1990 period. The calcified imagery of economic "wars" that connotes mutual antagonism seems to underlie the public's general perception of Japan as an "economic threat."

On the other hand, subscription circulation difference had no significant impact on the performance of the three news magazines for all the three dependent variables. The most important finding is that all these magazines offered a balanced presentation of opinions whether on an attributed or unattributed basis.

Table of Contents

Introduction to the Japanese economy, primarily in relation to the United States: -----	1
American public opinion about Japan, Japanese trade surplus with the United States, and Japanese direct investment in the United States.	
Literature Review	
Agenda setting -----	10
Opinions of Japan -----	15
(1) Japan is (or the Japanese are) different. -----	17
(2) The Japanese have a master plan for economic dominance of the world. -----	23
(3) The Japanese will eventually get to control America's (or the world's) economic life. -----	27
(4) Japan is a protectionist and unfair country (or the United States is a free and fair trader). -----	31
(5) Japan is (or the Japanese are) harmful. -----	38
Research Questions and Hypotheses -----	43
Methodology -----	46
(1) Sampling -----	47
(2) Research variables of the news content -----	49
(3) Criteria for the three research variables -----	54
(4) Statistics -----	60
Results -----	60
(1) A posteriori validation of the sample size -----	61
(2) Hypothesis testing -----	62
Conclusion -----	68
Discussion -----	72
Reference List -----	76
Appendices	

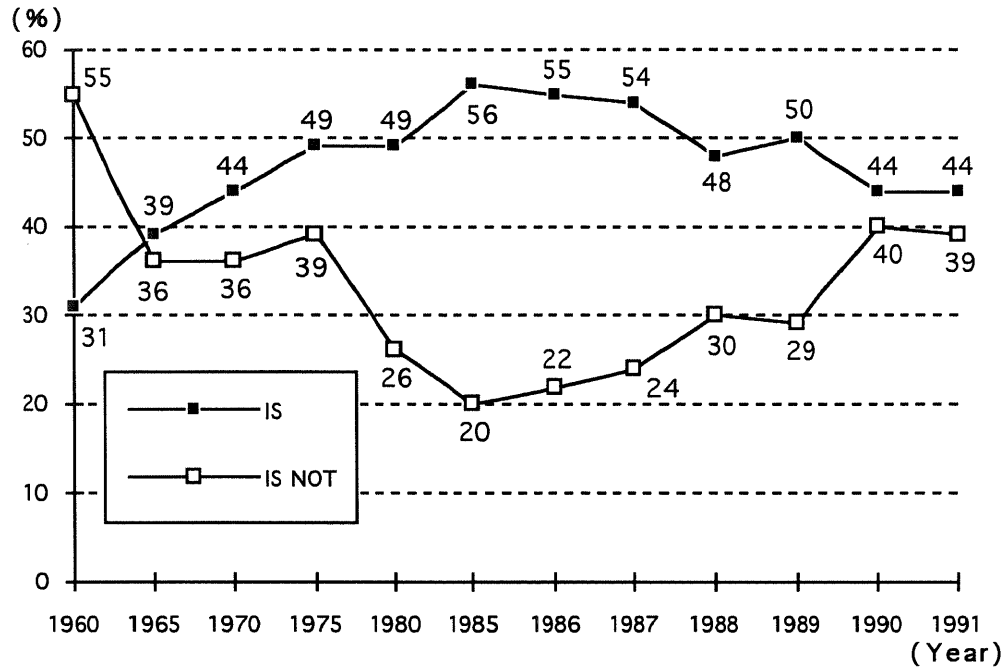
Introduction

This research is concerned with two issues: changes in the three U.S. news weeklies' (i.e. *Time*, *Newsweek*, and *U.S. News and World Report*) coverage of the Japanese economy between 1981 and 1990; and differences in content of stories in each publication. The media, as liaisons between reality and the public, daily supply society with a variety of information passed through their discriminatory filters which have the power to affect the public's perception. In this respect, based on agenda-setting research, it can be conjectured that a certain direction (i.e. favorability or unfavorability) of the media's coverage has been changed or intensified, if changes in the direction of public opinion on the issues the media have dealt with are observed.

As for Japanese economic issues, there is period correspondence of two trend changes--American public opinion of Japan and U.S.-Japanese economic realities around the years 1985 and 1986. It can be inferred, therefore, that comparison of media coverage between 1981-1985 and 1986-1990 will show significant changes. Also, because of each magazine's limitation of financial resources, it is predictable that these three news weeklies differ in the way they covered this topic.

In the middle of the 1980s, American favorable opinion of Japan started deteriorating with the apex of favorable opinion occurring in 1985. Figure 1 shows the longitudinal trend of American attitudes toward Japan as a dependable ally (Gallup and Newport, 1991, p. 11). The increase in unfavorable opinion closely correlates with the decrease in favorable opinion, which means the sustainability of favorability is relatively weak. Pearson's product-moment correlation coefficient indicates a strong, negative linear association between the increase in

Figure 1: Japan a Dependable Ally--Trend



Source: Japanese Foreign Ministry

unfavorable opinion and the decrease in favorable opinion in the 1985-91 period ($r = -.988$). This signifies the comprehensive deterioration of Americans' favorable attitudes toward Japan.

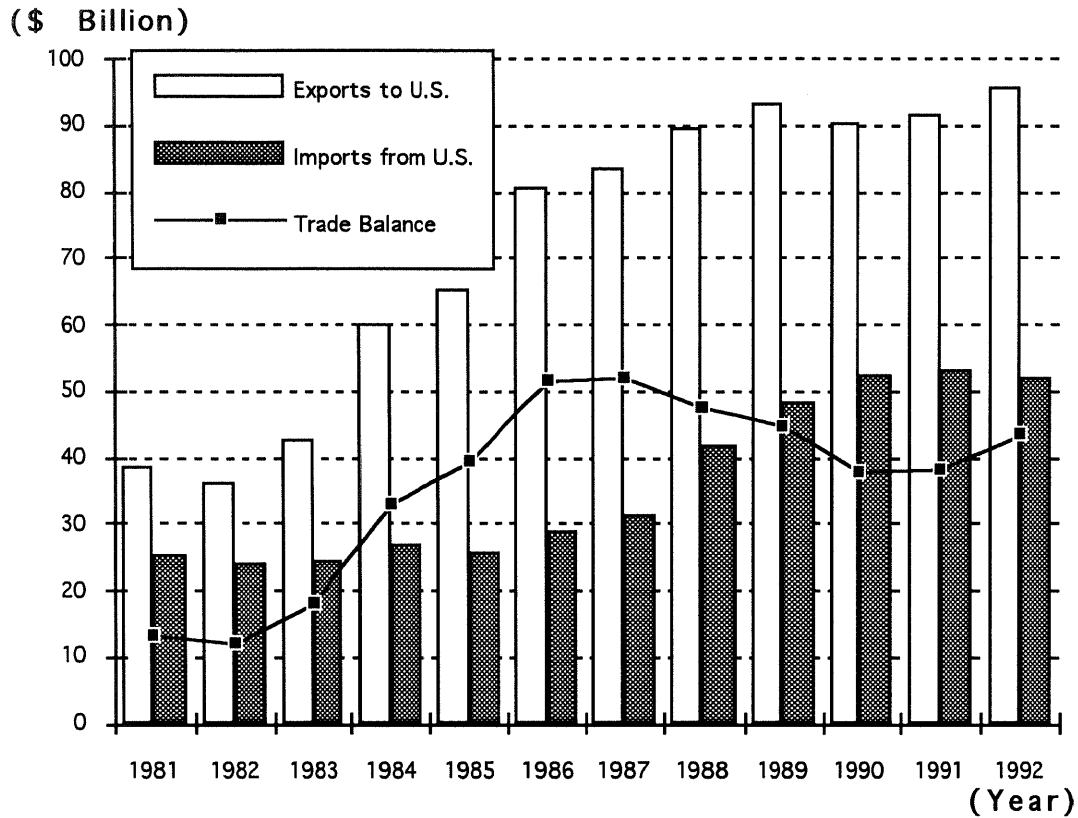
At the same time that American opinion of Japan deteriorated, U.S.-Japanese economic realities also revealed conspicuous changes. During the decade of the 1980s, the U.S. trade deficit with Japan lingered at tens of billions of dollars, and Japanese direct investment in the United States increased rapidly. As the economic visibility of Japan became remarkably pronounced not only in the United States but also in the world, diverse new negative opinions of Japan and its people emerged among Western opinion leaders. *Imidas* (1991), a multi-information dictionary published annually in Japan, defines this phenomenon as "revisionism":

With the end of the U.S.-Soviet cold war, the threat of Japan has become felt strongly in the United States, instead of that of the [former] Soviet Union, and the 'revisionism on Japan' has come into birth. The advocates of this doctrine are called 'revisionists.' The intense consciousness of U.S.-Japanese conflicts has turned these 'revisionists' into 'Japan-bashers.' In U.S. history, it is a repeatedly observed phenomenon that revisionism comes out against orthodoxy and changes in political power and policy are facilitated. (p. 374: translation)

The gist of "revisionism on Japan" is a repudiation of the traditionally sustained premise that the United States and Japan both believed in democracy, exercised a free market economy, and consisted of more or less similar societies. The supposition of the two countries' political, economic, and cultural similarities had motivated them to hold bilateral trade negotiations such as SII (Structural Impediments Initiatives) to resolve their economic disputes (*Imidas*, 1991, p. 1358). The two above-mentioned underlying macroeconomic factors--the U.S. trade deficit with Japan and the Japanese direct investment in the United States--have been frequently discussed by various politicians and economists.

Figure 2 shows the changes in Japan's trade balance with the United States from 1981 to 1992 (Japan External Trade Organization [JETRO], 1991a, p. 32; 1992a, p. 56; 1993, p. 56). According to the Japanese Ministry of International Trade and Industry (MITI), the U.S. trade deficit with Japan before 1981 remained under \$10 billion with

Figure 2: Changes in Japan's Trade Balance with the United States



Year	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
Exports to U.S.	38.6	36.3	42.8	59.9	65.3	80.5	83.6	89.6	93.2	90.3	91.5	95.8
Imports from U.S.	25.3	24.2	24.6	26.9	25.8	29.1	31.5	42.0	48.2	52.4	53.3	52.2
Trade Balance	13.3	12.2	18.2	33.1	39.5	51.4	52.1	47.6	44.9	38.0	38.2	43.6

Unit: 1 Billion US \$

Source: Japanese Ministry of Finance

the only exception being the year 1978. In addition, the 1974 Japanese trade surplus with the United States was as small as \$100 million (S. K. Johnson, 1988, p. 134).

In the 1980s, the momentous milestone was the Plaza Accord reached by the G5 nations--the United States, Japan, former West Germany, France, and England--in September of 1985. According to this

agreement, these five nations would cooperate to stabilize the value of the dollar in a predetermined "low" range relative to foreign currencies (e.g. \$1 = 140-160 yen) in order to redress the fact that foreign exchange rates did not reflect each nation's economic performance and protectionism was prevailing worldwide (*Imidas*, 1991, p. 60). U.S. products were supposed to gain more price competitiveness in the world market, and thus, the U.S. trade imbalance, especially with Japan, was expected to be ameliorated. Looking at Figure 2, however, the year 1986 seems to have spawned unexpected results in the following two aspects: (1) In spite of the Plaza Accord, the 1986 Japanese trade surplus with the United States marked the highest level at that point with a roughly 30% increase from 1985; (2) Since 1986, the Japanese trade surplus with the United States has been stabilized at a relatively high level.

The devaluation of the dollar did not serve to sharply shrink the Japanese trade surplus with the United States simultaneously. Bergsten and Cline (1987) argue that an absolute improvement in trade account positions by currency changes traditionally takes 12 to 18 months because of three lags: "the lag from change in exchange rate to change in prices of traded products, the lag from this change in price to alterations in demand patterns and production runs, and the lag from changes in orders to actual shipments and inclusion in the published statistics" (p. 147).

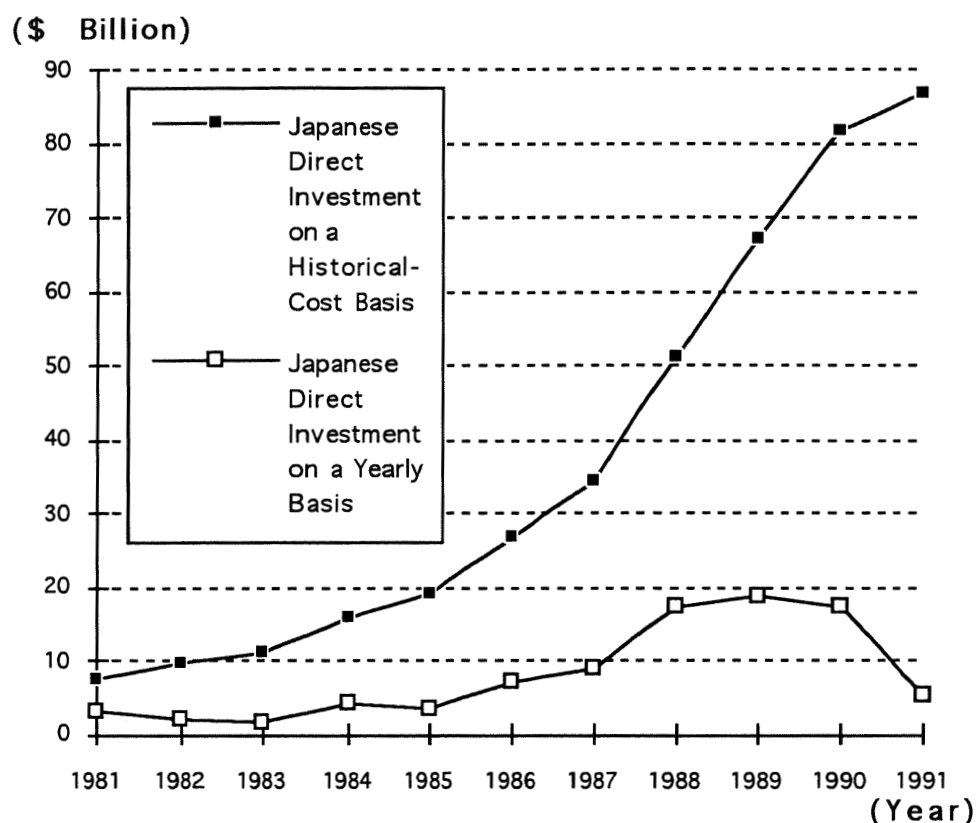
Bergsten and Cline (1987) believe that currency changes work to rectify trade imbalances from the long-term viewpoint. They judge that the main cause behind the growing U.S.-Japanese trade imbalance has been the past overvaluation of the dollar (p. 50). Because they found little evidence for the major role of Japanese protection in this

imbalance, and the trend of the dollar-yen exchange rate fluctuated as closely as their recommended equilibrium rate at the point of the year 1987, they predicted that reduction in the U.S. trade deficit with Japan could be "some \$30 billion" (p. 148). Despite the sustained depreciation of the dollar since then, even the largest discrepancy in trade deficit, which was between 1987 and 1990, was merely \$14.1 billion. Moreover, it started resurging in 1991.

According to Clyde V. Prestowitz, Jr. (1989), former Counselor for Japan Affairs to the Secretary of Commerce from 1983 to 1986, the U.S. administration followed "the neoclassical economic theory that currency devaluation would reduce U.S. imports by increasing their prices and spur exports by reducing theirs" (p. 65). He concludes that this theory does not work for the following four reasons: (1) substantial reduction in costs of most of Japan's raw material inputs, particularly oil, which are priced in dollars; (2) Japan's cost-cutting efforts and transfer of manufacture of many labor-intensive, low-value added components to Southeast Asian countries; (3) continued imperviousness of Japan's home market to foreign goods; (4) the status quo that the United States no longer manufactures a large number of products such as VCRs, ceramic chip packages, radios, and cameras, which makes imports indispensable to the U.S. economy (pp. 66-67).

Meanwhile, the depreciation of the dollar invited the excessively drastic influx of direct investment from Japan into the United States. Figure 3 presents the trend of Japanese direct investment in the United States (U.S. Department of Commerce, 1991, p. 105; 1993, pp. 179, 184). Japanese net direct investment on the balance totaled \$81.8 billion, or 20.6% of total foreign investment by 1990, whereas the 1981 counterpart

Figure 3: Changes in Japan's Direct Investment
in the United States



Year	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
(A) Yearly Basis	3.0	2.0	1.6	4.4	3.4	7.0	8.8	17.2	18.7	17.4	5.2
(B) Historical-Cost Basis	7.7	9.7	11.3	16.0	19.3	26.8	34.4	51.1	67.3	81.8	86.7
(C) All Foreign Total	108.7	124.7	137.1	164.6	184.6	220.4	263.4	314.8	368.9	396.7	407.6
(B) ÷ (C) × 100 [%]	7.1	7.8	8.3	9.7	10.5	12.2	13.1	16.2	18.2	20.6	21.3

Unit: 1 Billion US \$

Source: U.S. Commerce Department's
Bureau of Economic Analysis

NOTE: (A) & (B) for Japan
(C) on a Historical-Cost Basis

was merely \$7.7 billion, or 7.1% of the total. As far as the period between 1981 and 1990 is concerned, the tendency of annual Japanese direct investment turned into a steady increase from 1986 on, with the only exception being the slight 1990 decrease, contrary to its constant

fluctuation until 1985. Figure 3 clearly reveals that most of the Japanese direct investment occurred in the latter half of the 1980s. For instance, the 1986-1990 period takes more than three quarters of the \$81.8 billion on a historical-cost basis. Especially in the years 1988, 1989, and 1990 respectively, the figure on a yearly basis was close to \$20 billion, which simply indicates the tremendous amount of newly created Japanese direct investment in the United States; the combined figure for these three years was \$53.3 billion. Incidentally, the 1988 figure was almost double that of the previous year.

In a sense, the U.S. exchange rate policy seems to have become double-edged. This exchange rate trade-off relationship between the expected repressing effect on the U.S. trade deficit with Japan and the facilitating effect on the inflow of Japanese direct investment into the United States is unequivocally targeted by Kenichi Ohmae (1990), managing director of McKinsey & Company, Japan, a subsidiary of an international management consulting company, as follows:

The Plaza agreement in 1985 accelerated this process of investment. At the strong request of U.S. Treasury Secretary James Baker, the value of the dollar was lowered to make American industrial goods more competitive. This was a strategy focused only on the nation's trade deficit. As discussed earlier, you cannot, however, make only certain things cheaper when you adjust a country's exchange rate. American grains and scientific instruments may have become more competitive externally by making the dollar cheaper, but so have American real estate, companies, and

buildings. So, to take advantage of these bargains, foreign countries are now investing even more dollars than they accumulated through trade. (p. 151)

Ohmae (1990) views the U.S. government's exchange rate policy as a fiasco, because the real meaning of adjusting the value of the dollar lower to rectify the trade imbalance is nothing more than "printing more greenbacks to purchase the same amount of goods" as long as U.S. domestic needs for foreign products and components exist (p. 139). One recent convincing example may be that despite President Clinton's support of "strong" yen in early 1993 and the subsequent steep depreciation of the dollar due to general sensitivity of the world currency market to high-ranking political figures' comments, the U.S. 1993 trade deficit with Japan soared to \$50.2 billion, an approximately 15% increase from the previous year. Although the Japanese imports from the United States increased to \$55.2 billion, its exports marked a record \$105.4 billion in the history of U.S.-Japanese trade relationship, an almost \$10 billion increase from 1992 (JETRO, 1994, Telephone interview). In neither foreign trade nor direct investment does adjustment of the value of the dollar seem to be working as U.S. policy makers expected.

The media have frequently discussed changes in the two aforementioned macroeconomic realities--the U.S. trade deficit with Japan and Japanese direct investment in the United States, which identify the expansion of the U.S.-Japanese bilateral economic relationship in a sheer economic context. Meanwhile, American public

opinion of Japan deteriorated. Were the media setting the agenda for the American public regarding Japanese economic activities?

Literature Review

Agenda Setting

McCombs and Shaw's 1972 research was the first to systematically study the agenda-setting hypothesis. In this study, McCombs and Shaw (1972) hypothesized that "*the mass media set the agenda for each political campaign, influencing the salience of attitudes toward the political issues*" (p. 177). Their research showed only statistically significant high correlation between media and public agendas, lacking in corroboration of causality. However, they (1972) emphasize the plausibility of their hypothesis because of the following reasons:

. . . few directly participate in presidential election campaigns, and fewer still see presidential candidates in person, the information flowing in interpersonal communication channels is primarily relayed from, and based upon, mass media news coverage. The media are the major primary sources of national political information; for most, mass media provide the best--and only--easily available approximation of ever-changing political realities. (p. 185)

The very nature of agenda-setting theory in general converges into Cohen's (1963) famous statement that the press "may not be successful

much of the time in telling people what to think, but it is stunningly successful in telling its readers what to think *about*" (p. 13). As is obvious in the McCombs and Shaw's study, however, high correlation between media and public agendas alone cannot clarify whether the causal direction of agenda setting is from the media to the public or vice versa. To obtain more obvious evidence of the causality, some experimental research designs have been constructed. For instance, Iyengar, Peters and Kinder (1982) manipulated the agendas of television network newscasts and examined how respondents changed their views of issues. By playing up or down certain issues, they found evidence that public ratings fluctuated in response to those manipulated newscasts; heavier media coverage of a particular issue led to the increase in the public importance rating on the issue. They conclude, "When news presentations develop priorities, even if rather subtle ones as in our experiments, viewers' beliefs are affected--and affected again as new priorities arise" (p. 855).

Yet, no researcher contends that "agenda-setting is an influence process operating at all times and all places in all people" (Protest and McCombs, 1991, p. 98). The existence of "contingent conditions," which affect the increase or decrease in media's agenda-setting influence in real settings, makes it difficult to verify the media's pure effect on public agenda salience under all circumstances.

One of the contingent conditions is time lag. The agenda-setting effectiveness differs with duration of media message exposure. Salwen (1988), for instance, has found that the rise of public salience for the global issue of the environment before the peak of coverage is much more rapid than the decline after the peak. He concludes that public

learning of media salience has a tendency to remain for some time even after media coverage declines (p. 130). The timing of research, thus, can change the results to be obtained, which is a methodological problem.

The type of media involved in a particular research is another contingent condition that is set by its methodology. Palmgreen and Clarke (1977) found that national network television has relatively stronger agenda-setting effects for national issues than the local newspaper, while the local newspaper surpasses national network television in terms of influence for local issues. Their findings also involve another contingent condition--geographic proximity of the issue; in general, the agenda-setting effect of the media is likely to be stronger for national problems than for local ones (pp. 113-14).

One of the contingent conditions Hill (1985) has identified is audience attributes. He finds that television viewers with higher educational levels and greater prior news awareness are susceptible to the media agenda-setting influences. Another contingent condition he suggests is research design. Pointing to the rather weak evidence of agenda setting in his cross-sectional surveys, he suspects that longitudinal experiments and quasi-experiments may reveal more robust effects (p. 349).

All these contingent conditions suggest that no agenda-setting research may be able to substantiate the media agenda-setting effects on the public in all circumstances. Much more arduous is the manifest corroboration of the media's sheer influences on the direction--negative or positive--of public opinion, because this type of research connotes attitude change.

In his theory of "agenda dynamics"--the interaction of three agendas (i.e. the media agenda, the public agenda, and the policy agenda), Manheim (1987) emphasizes *valence* as one important dimension of the media agenda. *Valence* refers to "the general sense of favor, neutrality, or disfavor associated with the portrayal of a given object" (p. 502).

As an example of support for the effective transference of general negativity from the media to the public, Miller, Goldenberg and Erbring (1979), analyzing a highly interconnected data set of survey and media content, concluded that readers of papers carrying a higher degree of negative criticism against politicians and political institutions were "more distrustful of government, and also somewhat more likely to believe that the government was unresponsive, than were readers of newspapers containing less criticism" (p. 80). Moreover, through the examination of media coverage and public opinion of three technological controversies, Mazur (1981) found evidence that an increase in media coverage of controversy leads to public opposition to the technology in question. In some circumstances, therefore, "the portrayal of issues or actors on the media agenda can influence perceptions of and judgments about those issues and actors among the public" (Manheim, 1987, p. 502).

Concerning the public agenda, Weaver (1977) presents psychological explanations for agenda setting, identifying three major factors that might determine the level of "need for orientation," which he and his co-researcher, Maxwell E. McCombs, first formulated. These factors are the degree of "(1) *interest* in the message content; (2) *uncertainty* about the subject of the message; and (3) *effort required* to

attend to the message (including the perceived likelihood that a reliable source of information is available)" (p. 108).

The first factor--message content--in this case concerns U.S. domestic economic issues (i.e. layoffs, recessions, etc.). Because these issues seem to have been salient to Americans during the 1980's U.S. economic downturn, Japanese economic activities may have been raised to a high level of interest. Downs' (1972) "issue-attention cycle" suggests five stages, the final being the "post-problem stage." An issue that has gone through the cycle almost always commands a higher average level of attention, public effort, and general concern than that still in the first, pre-discovery stage (pp. 40-41). The level of the second factor--uncertainty about the issue--may be generally high, considering the enigmatic nature of macroeconomics for the average American. For instance, S. K. Johnson (1988) implies that the public generally lacks the sound basic knowledge about economics (p. 135). Regarding the third factor--public's efforts necessary to attend the message, it is highly implausible that the public by itself has examined and comprehended a variety of economic indices presented in governmental documents to form their own opinions. The chances are that the public most likely counts on the media as the second best reliable source of information. Most macroeconomic information relevant to Japanese economic issues is disseminated through the media which function as facilitators of understanding or interpretation of these statistical figures. This, in turn, alleviates the otherwise great amount of the public's efforts required to attend to the message. Concerning the issue of the Japanese economic activities, therefore, the "need for orientation" seems to be at a high level.

The decline in American favorable attitudes toward Japan can never be ascribed solely to the media. Nevertheless, the media, as Weaver (1977) contends, may have the ability to change the public's political views and voting behavior, beyond the context of reinforcement caused by selective perception (pp. 116-17).

Therefore, it can be assumed that the media's negative "valence" of the Japanese economy is influential on the public's perceptions and its "need for orientation" is high regarding this issue. The drastic change in American public opinion of Japan in the middle of 1980s may have been caused by the media's change in content of coverage toward negativeness.

Opinions of Japan

All negative opinions about Japan and its people may be true at least in part, as suggested by S. K. Johnson's (1988) viewpoint that a stereotype cannot be called "entirely erroneous" (p. 163). Deductively disputing each negative opinion is futile because each opinion has its roots in specific sustaining facts and experience encountered by opinion leaders.* For instance, Patrick Choate resigned as vice president for policy analysis at TRW Inc. which had business transactions with the Japanese, because of a dispute over his 1990 book, *Agents of Influence*, which attempts to reveal the influence on U.S. politics of Japanese lobbying (Kinsley, 1990, p. 49). In an interview held the next year, Choate denounced a former *Fortune* associate editor, one of his critics, by stating that the editor could not be "impartial" because he was doing

*A comprehensive list of "opinion leaders" regarding Japan could not be found. Therefore, "opinion leaders" should be regarded as writers identified by the researcher, who addressed negative opinions of Japan and its people in their material.

public relations work for Japanese companies (Hodgetts, 1991, pp. 68-69). If his resignation was due to the mighty pressure of the Japanese having business transactions with TRW Inc., as he contends, his statement naturally can be applied to himself: it may be impractical to expect unbiased opinions about Japan from him.

On the contrary, Americans who show excessive favorability toward the Japanese and put extreme blame on themselves also have their personal experiences that have influenced their way of thinking and talking about Japanese people. Bill Totten (1990) argues that compared to the Japanese, contemporary Americans live almost exclusively for weekend pleasure without working hard enough, and thus are to blame for most of the trade friction with Japan (p. 100). Considering the fact that Totten is the founder and president of K. K. Ashisuto, a successful computer software distributor in Japan, however, it seems that he needs to be accepted by the Japanese society, which psychologically presses him to admire the Japanese and criticize Americans.

In short, the problem is that those opinions, whether positive or negative, have been constructed on a one-dimensional basis where statistical figures, subjective observations, and personal experience supporting the opinions are used while contradictory facts are often neglected. Through literature review in this research, five general negative myths about Japan and its people have been identified by the researcher. The juxtaposition of counterarguments offers a more balanced perspective into the Japan issues.

Although the primary concern of this research is the media's agenda-setting effect on the public, it is also conceivable that prior to the dissemination of information, the media per se have been affected by

outside sources which hold those five negative myths. Examination of the negative myths of Japan and its people is, therefore, essential in order to find how dominant those opinions are in U.S. media coverage of Japanese economic activities. Appearance of counterarguments against those prevalent myths, if found in reporting, signifies the media's independent point of view.

(1) Japan is (or the Japanese are) different.

Van Wolferen (1986), East Asia correspondent for the Dutch daily *NRC Handelsblad*, points out two "fictions" that compose a core of the "Japan problem":

First there is the fiction that Japan is a sovereign state like any other, a state with central organs of government which can both recognize what is good for the country and bear ultimate responsibility for national decision-making. (p. 289)

The second fiction that hampers the formulation of an effective policy toward Japan is the premise maintained by the United States and Europe that Japan belongs with them in that loose category known as capitalist free-market economies. (pp. 291-92)

In the first "fiction," van Wolferen mentioned as evidence of a void of centralized political power the fact that the Japanese military "hijacked" the nation in the past, which led the country into the World War II devastation. It seems highly arguable, however, that there is a

clear-cut distinction between Nazi Germany and militarized Japan in terms of a vacuum of centralized political power that is supposed to assume full responsibility and leadership for the nation, while Germany was and is considered to be a "sovereign nation" by him. Without mentioning the rise of Nazi Germany, which signifies the lack of centralized political power of a sovereign nation, he has legitimized that country's large trade surplus (p. 303).

The second "fiction" corresponds to C. Johnson's (1982) contention that Japan is a "capitalistic developmental state" whose premise is the cooperative government-business relationship. Detailing the history of the Japanese government's supportive efforts to help its industries grow, he elucidates van Wolferen's point of the difference in conceptions of the functions of the state in economic affairs between the United States and Japan as follows:

In those states that were the first to industrialize, the state itself had little to do with the new forms of economic activity but towards the end of the nineteenth century the state took on *regulatory* functions in the interest of maintaining competition, consumer protection, and so forth. . . .

In states that were late to industrialize, the state itself led the industrialization drive, that is, it took on *developmental* functions. These two differing orientations toward private economic activities, the regulatory orientation and the developmental orientation, produced two different kinds of government-business relationships.

The United States is a good example of a state in which the regulatory orientation predominates, whereas Japan is a good example of a state in which the developmental orientation predominates. A regulatory, or market-rational, state concerns itself with the forms and procedures--the rules, if you will--of economic competition, but it does not concern itself with substantive matters. For example, the United States government has many regulations concerning the antitrust implications of the size of firms, but it does not concern itself with what industries ought to exist and what industries are no longer needed. The developmental, or plan-rational, state, by contrast, has as its dominant feature precisely the setting of such substantive social and economic goals. (p. 19)

Yet, in 1986 and 1987 when Japanese electronics giant Fujitsu had its merger negotiations with Fairchild Semiconductor, a pioneer of American high-technology and mainstay of Northern California's Silicon Valley, the United States was not exactly a "regulatory, or market-rational, state." According to Chapter 14 of Frantz and Collins' (1989) *Selling Out*, the Reagan administration actively discussed this deal. Strong opposition to the Fujitsu-Fairchild merger, which came from the Defense Department, the U.S. trade representatives' office, and the Commerce Department, reached the mass media, resulting in Fujitsu's retraction of its agreement to buy Fairchild, because Fujitsu was worried about further aggravation of American public opinion (pp. 173-190).

Although antitrust investigations of the deal were conducted, this "market-rational" mode is not the direct motivation for oppositions from those angered U.S. government officials. Frantz and Collins (1989) mention two main reasons for this opposition: "the way the transaction fit so neatly into a Japanese strategy to dominate the semiconductor industry, and the implications that the potential dominance had for America's role as the world's technology leader" (p. 180). Ironically, Fairchild had already been acquired by a giant French oil company, which merely sought a "financial rescue" (pp. 179, 186). The Fujitsu-Fairchild deal is indicative of the strong relationship between the U.S. government and high-technology industry for the sake of U.S. national security, clearly one of the country's political-economic goals. Even C. Johnson (1982) admits that cooperative government-industry relationships exist in several U.S. industrial sectors, especially the military-industrial complex, although he contends they are "exceptional" (pp. 311-12).

Moreover, the U.S. government historically has imposed "voluntary restraints" on Japanese products in response to petitions of U.S. industries such as manufactures of apparel, steel, color TVs, and automobiles. For instance, when the steel lobby launched a political drive to reduce competition with foreign steel in 1968, the Johnson administration demanded that foreign nations, including Japan, agree to voluntarily restrict their exports to the United States. Each time the U.S. steel industry claimed that its foreign competitors were "unfairly" subsidized or were "unfairly" dumping their products in the United States, the government started negotiation with foreign countries (Bovard, 1991, pp. 76-92). Both the United States and Japan have their

respectively unique protective measures through cooperative government-industry relationships to attain their different national political-economic goals.

R. J. Collins (1992), who lives in Japan, has observed distinct U.S.-Japanese cultural differences. He contends that the Judeo-Christian tradition has manifestly taught Westerners morally right or wrong behaviors, a distinction the Japanese fail to make. He creates the following hypothetical quotes that he thinks Americans and the Japanese respectively are expected to utter:

AMERI-THINK (upon waking up with a new and different partner in bed): "I'm sorry about last night; it meant a lot to me."

JAPAN-THINK (upon waking up with a new and different partner in bed): "Let's get out of here before somebody sees us." (p. 48)

The question, however, is exactly for what he or she is apologizing. Verbalization alone does not necessarily demonstrate human moral integrity. If R. J. Collins is talking about "adultery," then, morality dictated by the Judeo-Christian tradition will be called into question, because the apology of the American in the story becomes a tool to liberate him or her from their "sin."

Similarly, van Wolferen (1989) offers his personal opinion of cultural differences between Western nations and Japan as if he saw no desirable conception of a "utopian future" in Japan:

The ideology of Japaneseness differs, of course, from ideologies that seek to harness political energies to the realisation of a utopian future. . . . Unlike Western ideologies, it is not something that overrides the immediate demands of society, and so it is not something the individual can appeal to in order to justify thought or behaviour going against the grain of social expectations. (p. 248)

Underlying their comments on the Japanese culture seems to be the concept of Japanese group orientation that always has been accented in the West. This concept easily leads to teamwork which is supposed to characterize Japan's management style; conformity to group norms which engender a both rigid and orderly society; and existence of no individuals who take ultimate responsibility. While admitting that the Japanese tend to subordinate their individualism to the group more than Westerners do, Reischauer (1988) points out the existence in Japan of nonconformists (e.g. powerful gangs, skid rows, etc.) and the strong desire for self-expression and freedom from social restraints (e.g. social emphasis on personal hobbies, revolts against social norms, etc.). He warns of overemphasis on stereotypes:

Many observers have noted that the emphasis on hard work, individual drive, and economic achievement, pridefully described as the 'Protestant ethic' in the West, is even more characteristic of the Japanese, who have no Christianity, let alone Protestantism, in their background. These traits, in

fact, are strongly characteristic of all the peoples of East Asia--the Chinese, Koreans, and Vietnamese as well as the Japanese--who derive their underlying culture from ancient China and its Confucian attitudes. (p. 170)

The controversy over individualism vs. groupism, when talking about the Japanese compared to Americans, converges into each opinion leader's subjectivity over whether his or her various contradicting observations should be categorized as rules or exceptions. Strong community cooperation during disaster periods is frequently seen in the United States, and, as Reischauer (1988) argues, the Japanese, in general, place a great deal of emphasis on individual "will power" (p. 169). To his eyes, "Japan is drifting further from most Asian lands and closer to Western norms, and this is likely to continue to be the situation as far ahead as one can see" (p. 366).

The conclusion of this opinion category is that Japan is politically, economically, and culturally different from the United States and the rest of the world. Similarities between U.S. and Japanese cultures are often less accentuated or absolutely neglected.

(2) The Japanese have a master plan for economic dominance of the world.

According to Frantz and Collins (1989), "no country has carried out its investments with the strategic mandate that motivates the Japanese" (p. 7) and "the Japanese have demonstrated a grim determination to undergo any sacrifice to obtain economic supremacy at home and abroad" (p. 20). Van Wolferen (1986) also agrees that Japan

as a nation has been committing itself to the pursuit of its priority of unconstrained economic growth:

After the postwar industrial reconstruction, which as an obvious choice for the nation hardly required strong centralized political control, the political assumption emerged that unlimited industrial expansion must be Japan's first priority. No politician made an issue out of this. The bureaucracy, which had been left almost entirely intact during the Occupation, was to administer this policy. (p. 290)

Van Wolferen's logic is that a void of strong political power enables the body politic to mobilize people toward its first priority of infinite economic expansion. Yet, if it is true that Japan lacks "strong centralized political control," it seems next to impossible for Japan to put into practice its master plan for global dominance with unlimited economic expansion in an organized manner, no matter how strong the bureaucracy is. For instance, pointing out Japan's nationally committed industrial policy which is "not trade policy or tax policy, but a strategic plan that affects every facet of the nation's economic system," Dietrich (1991) presents an absolutely opposite assumption:

Similarly, all the elements of the Japanese system are necessary and important, but some are more important. Without a strong central state and a higher professional bureaucracy, the Japanese could not do it. The state is the

prime mover of Japanese industrial policy. It is the center of the nation's economic system. . . . Through legislative and administrative initiatives, the state directly affects industrial policy, and it indirectly conditions industrial policy by influencing culture, education, management, and finance. And don't forget: no strong central state, no higher bureaucracy, no industrial policy. It's as simple as that. (p. 99)

This "master plan" assertion may have derived from the analysis of the Japanese bureaucracy, especially MITI. Prestowitz (1989), like C. Johnson, singles out the power MITI holds on Japanese microeconomic activities--authorization of building plants, supermarkets, or department stores, suspension of the antitrust laws and declaration of cartels, establishment of industrial standards, and licensure of Japanese technology (pp. 238-39). Moreover, Japanese industries per se have a tendency to obey what is called "administrative guidance" offered by the various ministries, which signifies a certain nationwide direction--probably economic supremacy.

However, since they do business in the arena of world economy, the Japanese political-economic power structure hardly affects any country's economic policy in a direct way. Even if the presumption holds true that Japan has much stronger bureaucracy-business relationships than the United States, the Japanese administration has no capability to moderate and harness beyond the fabric of U.S. domestic regulations the economic activities of the Japanese working outside the country for the purpose of its economic dominance.

Also important is the recognition of simple economics. As long as U.S. domestic needs for Japanese components and products persist in a relatively constant manner, lowering the value of the dollar merely inflates the dollar value of the U.S. trade deficit, although the physical amount of Japanese exports to the United States, of course, will decrease. Moreover, Ohmae (1990) states that "anything below 300 yen to a dollar is a bargain exchange rate" for real estate prices (p. 164). It is an absolutely normal economic condition that people tend to be willing to purchase "bargains."

As for manufacturing, the appreciation of yen theoretically made it tough for Japanese industries to directly export to the United States, which naturally forced them to produce goods outside Japan. This has induced direct investment of setting up new production facilities, buying existing factories, and opening offices. Because of the Japanese unique system called "keiretsu" (economic groups in which major banks and trading companies form networks of companies), various other related Japanese industries came to the United States along with these manufactures.

Suppose that this exclusive business custom of "keiretsu" constitutes part of the Japanese master plan. Yet, the European Union as well as the U.S. administration have already launched numerous regulations to break up this business custom by devising the standard of local production content. For instance, Honda currently claims that their automobiles manufactured in the United States have a domestic American content of 75 percent, and thus are eligible for exporting to European countries (Emmott, 1993, p. 78). Needless to say, other Japanese manufacturers, regardless of industry, are following suit to

enhance their products' local content. The Japanese package of economic supremacy, if any, may be on the verge of cracking.

Situational evidence seems to have been collected to verify this negative opinion, which suggests no direct corroboration has been made about the existence of the Japanese nationwide committed plan for economic dominance. The status quo of Japanese economic activities seems to reflect natural economic theories, not some Japanese master plan for economic supremacy in the world.

(3) The Japanese will eventually get to control America's (or the world's) economic life.

In 1989, the Mitsubishi Estate Corporation announced that it had purchased a controlling interest in the Rockefeller Group. Some American citizens' reference to the huge Christmas tree of the Rockefeller Center symbolically hinted at their worry about the Japanese economic influence over the future of the U.S. economy. Yet, the often overlooked fact is that the Rockefeller Group then owned a small portion of the Center with 71% spun off to the public in the form of a real estate investment trust, which endowed Mitsubishi only a 15% stake in the Center (Partner, 1992, p. 7). As evidence of Mitsubishi's low controlling power, the Christmas tree has never been replaced by a tiny Japanese "bonsai."

Typically found is the fear of Japanese threats to the U.S. economy. For instance, Frantz and Collins (1989), ascribing the 1987 "Black Monday" crash at the New York Stock Exchange to Japanese investors, states that this event was "a lesson in the perils of the rising levels of foreign investment in the United States, particularly the concentrated investments being made by the Japanese" (p. 9). Even if

their contention is assumed to be true, Japan is so intricately linked to the U.S. economy that it alone cannot avoid "being controlled," because immediately after the crash, the Tokyo stock market also considerably lowered the average stock price. Two years later, the country's "bubble economy" (i.e. hyperinflation of stock and property prices in the late 1980s) began to burst, which eventually led Japan to plunge into its current recession.

The pessimism toward the U.S. future also flares up discussion of possible Japanese economic control. Analyzing the trend of the past U.S. government budget deficits, Figgie and Swanson (1992) project that in 1995 its cumulative debt will reach \$6.56 trillion. They refer to three major past examples: hyperinflation in Germany after World War I, budget crisis in England in 1976 which asked the International Monetary Fund (IMF) for help, and inflationary economies of several South American countries. Using these examples as what may happen to the United States in the future, they assert that the United States will go bankrupt at that point because interest payments on this debt--some \$619 billion--"will amount to 85 percent of all income taxes and *more* than the government collects in taxes from individuals" (p. 68). They sketch the following scenarios in this prediction:

In one scenario, which I call Death by Hyperinflation, prices spiral out of control and the dollar loses value--first by the month, then by the week, and eventually by the hour. In the other scenario, which I call Death by Panic, traders and investors on the world's financial markets literally put America out of business.

Probably, we'll get a taste of both hyperinflation and panic, but the shooting victim hardly cares whether he's dead of a .45- or a .357-caliber bullet. Hyperinflation or market panic or any combination will finish off America and Americans. (p. 75)

Touting that "credit," on the basis of which the U.S. government can borrow money both from American and foreign investors, has its limits, Figgie and Swanson (1992) insist that the U.S. federal government now rectify its way of expenditures. Especially, based on the fact that as of the end of 1991, foreign investors held 12.3% of U.S. Treasury securities (i.e. \$443 billion), they prognosticate that Americans will lose the economic sovereignty of their country (pp. 93-95).

Their common recognition is that the United States is already a poor nation which has lost the ability to compete with other nations. Despite the barked-at poverty of the United States, reflected by the huge U.S.-Japanese savings differences, the Bank of Japan published in 1988 that the U.S. savings rate was 14.7 percent and the Japanese rate was 16.7 percent, a mere 2-percentage-point gap, because the United States and Japan were simply using different accounting systems (Ohmae, 1990, pp. 145-46).

In addition, it is impossible for the Japanese to control the U.S. economy no matter what may happen. Sullivan (1992) presents two sets of statistical figures. First, Japan currently owns about 2% of total U.S. assets, which is projected to rise to 4% by the year 2000. Second, over 1 million Americans will come to work for Japanese companies by the year 2000, which is 1% of the 100 million U.S. workforce. He asserts that

these figures are clearly too small for the Japanese to exert their controlling power on the economic destiny of a country as enormous as the United States (p. 45).

The frequently forgotten fact behind numerous positive and negative stories about Japan's economic success is the comparatively low profit margins of Japanese businesses operating in the United States. Most U.S. subsidiaries of Japanese corporations have shown extremely low annual profitability in terms of return on investment, although they are not attempting to evade tax to the U.S. government. The general low profitability of Japanese businesses operating in the United States is primarily due to their long-term orientation (Sullivan, 1992, pp. 113-118).

The chief economic reason why Japanese businesses could sustain low profitability is that in the late 1980s, an immense amount of seemingly cheap capital engendered by its "bubble economy" of domestic investment fad on stocks and properties was readily available to them. However, as its name suggests, the "bubble economy" per se lacks substance, being merely a nominal economy. Now that it is definitely over, Emmott (1993) prophesies the future of the troublesome Japanese economy:

The high level of capital investment was an aberration, caused by the bubble economy and the illusion that capital was cheap. In the future, it will be looked at as a costly mistake. At best, this excess will hamper corporate Japan; at worst it will injure it quite severely. Put more mildly, it

means that now that capital is short, new investment plans cannot be as ambitious as before. (p. 190)

Burstein (1993) likewise foresees that Japanese businesses will considerably raise the prices of their products to fulfill new demands on companies--the enhancement of profitability of enterprises (p. 168). Although he still thinks of Japanese businesses as creating new challenges to the U.S. industries in a positive context of competition, it is sure that they will lose most of their traditional price competitiveness in the U.S. market. As a symptom of this prediction, more and more Japanese corporations have recently begun operating in the red, with some going bankrupt.

Given that capital is no longer cheap, Japanese companies that made enormous investments in the United States in the 1980s now must be eager to withdraw some or most of them in order to compensate for profit losses. Because of current excessive appreciation of the Japanese currency, however, they simply cannot do it. If they did now, outlandish damage would be inflicted on their current tight finances. "Corporate Japan" seems to be no longer a threat to the U.S. economy, or at worst, it may be at death's door.

(4) Japan is a protectionist and unfair country (or the United States is a free and fair trader).

Fallows (1989, p. 42) states that "Japanese and Korean politicians now complain about American 'protectionism,' but how protectionist can a country with a \$10 billion monthly trade deficit really be?"

Although he is using the gross U.S. trade deficit with Japan to describe how open the U.S. market is, the 1990 IMF statistics show that the

Japanese per-capita imports of American products--\$430--was already higher than the U.S. counterpart--\$374--in 1990 (JETRO, 1991b, p. 10). Concealed behind the gross trade figure is the fact that the Japanese population is approximately half as large as the U.S. counterpart.

If the gross U.S.-Japanese trade balance is used as evidence, Japan is judged to be an unfair protectionist country. On the contrary, if the concept of per-capita consumption is applied to U.S.-Japanese trade issues, the United States will have to buy more products from Japan, because the comparison of 1990 per-capita GDP--\$23,801 for Japan and \$22,062 for the United States (JETRO, 1992b, p. 52)--apparently shows that an individual Japanese is buying American products beyond a U.S.-Japanese bilateral per-capita equilibrium of economy.

"Free trade" has always been a judgment foundation on which the U.S. administration accuses other foreign countries for their trading practices. According to Bovard (1991), however, President Nixon seemed to espouse a diagonally inverse trading policy:

Richard Nixon's anti-textile import declarations helped him win the presidency in 1968. . . . A few month later, Nixon threatened to perpetuate the U.S. military occupation of Okinawa if the Japanese government did not further restrain textile exports. In 1971, Nixon raised the stakes by threatening to penalize Japan under the World War I 'Trading with the Enemy Act' if Japan did not agree to export curbs. When Japan finally succumbed to U.S. pressure, White House press secretary Ron Zeigler announced, 'President Nixon wants to express his personal appreciation

for the cooperation and understanding of our negotiating partners and his belief that these voluntary agreements lay the groundwork for even more positive contributions toward friendly cooperation in the future.' (p. 37)

Although the above policy was held by the country which kept touting the principle of free trade, this incident should not have happened, because sitting in the center of free trade policy is still Adam Smith, the author of *Wealth of Nations*, to whom both van Wolferen (1986, p. 302) and Fallows (1989, p. 47) refer. As a matter of course, Smith's free competition emphasizes the minimization of a state's intervention into people's economic activities. This is an outright case of U.S. econonationalism. Even Choate (1990), who holds a Ph.D. in economics, attacks the "globalization" thesis such as Ohmae's, stating that "the dollars held by Japan could be used to buy American *exports* rather than American *assets*" (p. 157). His contention should be called "managed trade" rather than "free trade."

Suppose that Japan's trade practices have become similar to those of other major economic powers. According to the *Des Moines Register*, Laura Tyson, chairwoman of Clinton's Council of Economic Advisers, said that if the above situation were realized, "Americans could sell up to \$12 billion more worth of U.S.-made goods there [Japan] each year, adding up to 240,000 more U.S. jobs" (First shot, 1994, p. 5A). However, \$12 billion subtracted from \$50.2 billion--the 1993 U.S. trade deficit with Japan--still leaves \$38.2 billion, which is approximately equal to the 1991 counterpart. No explanation of this residual number was offered, which, in turn, seems to validate Ohmae's explanation that existing

needs primarily determine the amount of trade between nations.

Tyson's comment is a simple indication that even if the Japanese trade system is different from that of the United States, there must be other reasons for most of the massive U.S. trade deficit than Japan's alleged protectionism.

As the United States became more protective, the concept of "fair trade" emerged to address bilateral or multilateral trade issues. Krooth and Fukurai (1990) point out that because the proportion of American imports affected by U.S. import restrictions rose from 9 percent in 1981 to 15 percent by 1986, the United States faced "the dilemma of speaking out for free trade, yet simultaneously erected barriers to the goods of others" (pp. 178-79). This new concept, Bovard (1991) asserts, is little different from protectionism:

Some people may believe that there is a fundamental difference between fair trade and protectionism. But, fairness has nothing to do with the U.S.'s 8,000 tariffs, 3,000 clothing and textile import quotas, auto quotas, sugar, dairy, peanut, cotton, beef, and machine tool quotas. . . . Not one trade barrier in twenty has any relation to a reasonable concept of fairness, yet fairness is perennially invoked to cover all trade barriers with its blessings. (p. 306)

According to *Webster's Ninth New Collegiate Dictionary* (1990), "fair" implies "an elimination of one's own feelings, prejudices, and desires so as to achieve a proper balance of conflicting interests" (p. 445). Yet, "fairness" defined by U.S. congressmen embraces biased

subjectivity. For instance, pointing out that Rep. Richard Gephardt in 1985 declared that ". . . as a referee as well as a star player in the world trade game, the United States has a special responsibility to enforce fair trade rules for an open world trade system," Bovard (1991) states that "Congressmen have appointed themselves as umpires of international trade, and anything that displeases a sufficient number of congressmen is automatically unfair" (p. 279). Therefore, whether an import quota is judged as protectionist or not depends solely on "the nationality of the politicians who impose it" (p. 272).

For instance, the *Des Moines Register* presents a list of the countries and trading groups which the U.S. administration judges to have erected the "most harmful" trade barriers to American products:

Arab League, Argentina, Australia, Brazil, Canada, Chile, China, Colombia, Dominican Republic, Egypt, El Salvador, European Union, Finland, Guatemala, Gulf Cooperation Council, Honduras, Hungary, India, Indonesia, Israel, Japan, Malaysia, Mexico, New Zealand, independent states of the former Soviet Union, Norway, Pakistan, Peru, Philippines, Poland, Russia, Singapore, South Africa, South Korea, Switzerland, Taiwan, Thailand, Turkey, Venezuela. (Japan is top target, 1994, p. 4A)

There are three points to be noted about this list. First, almost the rest of the world is simply "protectionist" to the United States. Second, the controversy over Japan vs. the West seems meaningless, since the European Union is included. Third, in order to answer the "level playing

field" question (e.g. Japan is playing the trade game by different rules), it should be judged whether the United States or the rest of the world upholds uniquely different rules.

Such an econonationalistic viewpoint is typically found in the works of Prestowitz who, for instance, contends that the United States "permitted Japanese exports into the U.S. market and Japanese investment in the U.S. while the same was denied to the U.S. in Japan" (1987, p. 10). Although he used the word "permit," which connotes that the United States is unilaterally doing the Japanese a favor, reality seems to reside in between "permission" and "plead." Partner (1992) tells a different story:

Fact: More than half of the state governors have been on missions to Japan to encourage Japanese investment in their states. Fact: the sellers of Rockefeller Center approached 22 different Japanese firms before accepting an offer from Mitsubishi Estate. (p. 48)

While opinion leaders who embrace negative opinions about Japan generally seem to assume that the amount of the U.S. trade deficit with Japan squarely signifies Japanese "unfairness" and American "fairness," there is a fundamental question about whether the U.S. trade deficit per se is something worth making a big fuss over at all. For the nationality of products, only whose transnational physical flow the macroeconomic accounting system captures, may not be a distinct basis for calculating trade balance, given the current trend of world-wide economic

globalization. Ohmae (1990) presents the following thought-provoking question:

Is IBM Japan an American or a Japanese company? Its work force of 20,000 is Japanese, but its equity holders are American. Even so, over the past decade IBM Japan has provided, on average, three times more tax revenue to the Japanese government than has Fujitsu. What is its nationality? Or what about Honda's operation in Ohio? Or Texas Instruments' memory-chip activities in Japan? Are they "American" products? If so, what about the cellular phones sold in Tokyo that contain components made in the United States by American workers who are employed by the U.S. division of a Japanese company? (p. 10)

If IBM Japan moves its products from Japan to the United States for some reason, they are recorded as Japanese exports to the United States, no matter what the company's nationality is. The underlying logic may be that these products have "added value" created by the Japanese people. If so, the objective of the "buy American" movement makes little sense. For instance, Americans tend to buy "American" products, say, Chrysler automobiles, some of which can hardly be judged as "American" due to the nationality of components. They shy away from buying all foreign-labeled products such as Honda cars, some of which are being produced in the United States with the majority of components made in this country.

The more global the world economy, the less effective the macroeconomic accounting system. Ohmae (1990) adds, "The deficit is an illusion created by accounting systems that are tragically out of date, systems that measure only the physical flow of goods across national borders" (p. 143). Whatever negative connotation the words "deficit" and "debt" have, all business transactions, whether trade or direct investment, are settled in the agreement of parties, not by nations. As is obvious, no interest is paid for most foreign investment, although it is recorded as "debt."

(5) Japan is (or the Japanese are) harmful.

To Frantz and Collins (1989), Japan's automakers are "the ultimate Trojan horse, and American cities and states are eagerly wheeling them inside" (p. 126). Also, "Right now, Hawaii is a petri dish where the dangers of Japanese investment in real estate are festering" (p. 279).

Therefore, it is strongly recommended by van Wolferen (1986) that the United States swiftly take effective measures against Japan in order "to stave off an otherwise seemingly inevitable confrontation that would harm the non-communist world and destroy what remains of the international free trade system" (p. 301). In a similar vein, Fallows (1989) maintains that the United States should impose limits on Japan's excessive economic expansion, which is representative of its destructive habits that are "potentially more harmful to the rest of the world than America's are" (p. 42). He describes the expansion of Japan's economic power as follows:

The expansion is one-sided because Japanese business does to other countries what Japan will not permit to be done to itself. It is destructive because it will lead to exactly the international ostracism that Japan most fears, because it will wreck the postwar system of free trade that has made Japan and many other nations prosperous, and because it will ultimately make the U.S.-Japanese partnership impossible to sustain. (p. 41)

There are a variety of harms the Japanese have allegedly scattered in the United States. One of the negative economic factors is export of unemployment. Choate (1990) contends that the real number of new jobs created by foreign investment is quite low, because 95% of those jobs created in 1988 were "made up of *existing* jobs in U.S. companies that were taken over by foreign investors" (p. 149). The question is, however, whether all the U.S. companies that were merged could have survived without financial rescue of foreign investment, and thus those "existing" jobs really could have kept existing.

A short-circuited logic is that any competition with foreign companies deprives Americans of their jobs. If so, the surge of the U.S. trade deficit and foreign investment in the United States should have had a strong, positive correlation with an increase in the country's unemployment rate. Nivola (1993) points out that between 1982 and 1987, during which the trade imbalance enlarged, 14 million new jobs were created in the United States, and the unemployment rate plummeted from 9.5 percent to 5.7 percent, "reaching the lowest level in

fourteen years" (p. 11). He denies the allegedly strong connection between the trade deficit and the national unemployment rate:

To be sure, workers in particular industries were severely injured by a loss of market share here and overseas. But on the whole, economists stressed that international trade, however unbalanced, had resulted in more American gainers than losers. If the trade deficit shifted national employment among industries, eliminating the deficit would also result in sectorial dislocations with no guarantee of an increase in total employment. (p. 11)

Another harm is that, according to Frantz and Collins (1989), Japanese investment generates only cheap, assembling jobs in the United States, keeping high-value production at home. Moreover, Japanese M&As (mergers and acquisitions) deteriorate American R&D (research and development) by reducing its funding (p. 161). However, Sullivan (1992) shows contradictory statistical figures: while corporate R&D spending per worker in the United States is approximately \$470,000, Japanese-owned firms spend \$1.5 million per worker (p. 45).

Japanese influence on U.S. politics is still another concern. For instance, Frantz and Collins (1989) accuse the Japanese of attempting to shape U.S. policies and affect opinions through several methods: paid lobbyists, political campaign contributions by their American subsidiaries, PR and advertising campaigns, charitable contributions, and contributions to American think tanks and educational institutions by Japanese-financed foundations. Choate (1990) reveals a complete list of

Japan's registered foreign agents in the United States in the appendices of his book, arguing that the Japanese are now controlling the U.S. domestic policy to pursue their economic interests. In addition to Japanese influence on the U.S. politics, he details an example of how American media programs have been influenced by the U.S.-Japan Foundation which was established with the objective of facilitating mutual understanding and friendship between the United States and Japan:

Public television and radio shows like those funded by the U.S.-Japan Foundation are taken seriously by viewers and listeners because they present views that are considered to be objective and untainted by commercial considerations. By underwriting 'soft' programs that concentrate on improving U.S.-Japan relations and increasing Americans' 'understanding' of Japan, Japanese sponsors are able to project a highly credible, favorable impression of their country. This, of course, is the nature--and the goal--of good propaganda, and the reason that Japan puts up the money. (p. 193)

Choate (1990) maintains that Americans are vulnerable to propaganda because most Americans know little about history, economics, social sciences and foreign languages (p. 181). Whether or not his contention on Americans' naivete to persuasive messages due to their ignorance is true, recent surveys such as the opinion poll annually conducted by the Japanese Foreign Ministry show that their favorable

opinions of Japan have been deteriorating. American perception of Japan is clearly going astray from the direction that those Japanese "propaganda" campaigns, if any, espouse. As Kinsley (1990) says, Choate's contention of Japanese propaganda success may be "laughable" (p. 6).

Admittedly, Japanese firms did real harm such as job discriminations to the U.S. society. Although that harm should not be excused, it does not present a whole picture of Japanese investment. Possibly, the Japanese have both good and bad influences to Americans, and vice versa.

The longitudinal opinion poll annually conducted by the Japanese Foreign Ministry shows that contrary to its declining trend in the first half of the 1980s, the portion of Americans who held unfavorable views of Japan steadily increased since 1986 (Gallup and Newport, 1991, p. 11). From the basic standpoint of agenda setting (i.e. correlation between public and media agendas), it can be predicted that this opinion change will correspond to a change in media coverage: If the negative "valence" of the media agendas can function regarding the transference of negativeness to the public, the 1986-1990 period should show intensified negative elements in reporting, compared to the 1981-1985 period.

It is also conceivable that outside sources exist to affect the media in the process of information dissemination. Five negative myths of Japan and its people are opinions from outside sources. Based on the theory of agenda setting, the intensity of negativeness (i.e. the more frequent appearance of five negative myths than contradictory opinions to those myths on an unattributed basis) will be stronger in the 1986-

1990 period than in the 1981-1985 period. In addition, because of each magazine's financial limitation which may constrain its investigative ability, the three U.S. news weeklies will differ in terms of dependency on outside sources that hold negative opinions of Japan and its people.

Research Questions and Hypotheses

According to the *Gallup Poll Monthly*, 77% of respondents interviewed considered Japan to be an economic threat to the United States (Gallup and Newport, 1991, p. 15). Also, 68% of respondents in another Gallup Poll survey believed Japan's trade policy with the United States to be "unfair" (Moore, 1993, p. 20). Although there are contradictory facts that indicate no threat of Japanese economic activities and the U.S. "unfair" trade policy, the public's perception of Japan is negative, according to these polls.

Qualitatively analyzing the media coverage of Japan, S. K. Johnson (1988) states that "war memories and war imagery are not necessarily something receding into the distant past; they can be harnessed to up-to-date causes" (p. 36). In the context of the U.S.-Japanese trade dispute, the depiction of the Japanese as aggressors to the U.S. economy has been repeatedly utilized by the American media for more than a decade. The U.S.-Japanese economic relationship is presented as a "war." Whatever the appropriateness of this kind of expression as a mirror of the Japanese economy, the rhetorically-fixed image of the Japanese economic "invasion" of the United States or the rest of the world is expressed in the concept of "trade wars" or "economic wars." Thinking reversely, the framework of "war" might serve to invoke American wartime imagery of the Japanese and keep aggravating

American public attitudes toward the Japanese. Since "war"-related words themselves connote mutual antagonism, the emphasis on this agenda--U.S. "war" with Japan--seems to embrace negativeness when transferred from the media to the public.

As already examined, research indicates that the media seem to be more influential on the formation of American public opinion of this issue than reality per se which consists of statistical figures. For the public most likely obtains understanding and interpretations of economic information through the media, instead of looking to governmental documents, given the esoteric nature of economics. Since confusion in understanding of macroeconomics is seen among the average public, as S. K. Johnson (1988) indicates, the public seems to strongly depend on the media in this area. From the standpoint of agenda setting, a strong correlation between media coverage and public opinion can be expected. It can be predicted, therefore, that print media coverage turned in a more strongly negative direction in the 1986-90 period than in the 1981-85 period.

In terms of publication characteristics, Lacy, Fico and Simon (1991) found evidence supporting the hypothesis that the performance of prestige newspapers, such as the *New York Times* and *Washington Post*, was generally better than that of other high circulation newspapers. A further assumption underlying this hypothesis is that "circulation size translates into editorial resources that are then available for researching stories to make them as fair and balanced as possible" (p. 366). If this assumption is applied to the three U.S. news weeklies (i.e. *Time*, *Newsweek*, and *U.S. News and World Report*), it can be inferred that *Time* will perform in a more balanced way than *Newsweek*, which will perform

more so than *U.S. News and World Report*, although the causal effect of subscription on balance cannot be directly tested. According to the Audit Bureau of Circulation, the subscription circulation is 4,203,991 for *Time*, 3,240,131 for *Newsweek*, and 2,307,569 for *U.S. News and World Report* (Troshynski-Thomas and Burek, 1994, Vol. 1, p. 403; Vol. 2, pp. 1536, 1560).

Therefore, from the standpoint of agenda-setting theory and the circulation assumption, the research addresses the following three general research questions and six hypotheses:

- RQ1: Are there any significant differences in the U.S. news weeklies' coverage of Japanese economic activities between the 1981-1985 and 1986-1990 periods?
- RQ2: Are there any significant differences intrinsic to each of the three news weeklies in terms of coverage of the Japanese economy?
- RQ3: What are the interaction effects between period and publication differences?
- H1: The coverage of Japanese economic activities in the 1986-1990 period is more slanted toward calcification of the "war" context than that in the 1981-1985 period.
- H2: The lower the subscription circulation of a news weekly, the more "war"-related words it uses in the coverage of the Japanese economy.
- H3: The coverage of Japanese economic activities in the 1986-1990 period shows more negative opinions from

opinion leaders with less balance between negative and positive opinions than in the 1981-1985 period.

- H4: The lower the subscription circulation of a news weekly, the more negative opinions from opinion leaders with less balance between negative and positive opinions it utilizes in the coverage of the Japanese economy.
- H5: The coverage of Japanese economic activities in the 1986-1990 period overrepresents people who hold negative opinions than that in the 1981-1985 period.
- H6: The lower the subscription circulation of a news weekly, the more it overrepresents people who hold negative opinions concerning the Japanese economy.

Interaction effects between period and publication variables will be examined with no hypotheses. Also, if a significant difference is found in the "publication" variable, a posteriori test to further probe into exactly which news weeklies are different from the rest will be used to confirm or reject H2, H4, and H6.

Methodology

This research seeks quantification of changes in the way the U.S. weekly news magazines covered the Japanese economy. Surveys can surely elicit the current trend of reporters' opinions of this issue, but surveys on this issue would have to be cross-sectional or "one-shot," which makes unfeasible the comparison of two periods.

On the other hand, an analysis of selected cases affords this type of comparison. Yet, there is plenty of room for subjectivity in selection of material, judgment of cases and conclusion of research, because researchers are allowed to use convenience samples for this type of "insight-stimulating" exploratory analysis. Therefore, content analysis with probability sampling seems to be the best research method for this study's objective. Appendix A offers a sample of a content analysis sheet.

(1) Sampling

The parent population of this research was all news articles concerning Japanese economic activities, which appeared in three U.S. news weeklies--*Time*, *Newsweek*, and *U.S. News and World Report*--between 1981 and 1990. The inclusion of news articles which constituted the actual sampling frame, however, was based on the *Readers' Guide to Periodical Literature* that classifies articles under various subject entries. Although there is another sampling method to make a population exactly correspond to a sampling frame (i.e. sampling of issues), one of the most troublesome obstacles with this method is judgment of news articles in terms of relevance to this research. Since a particular article can be classified into more than one category at the same time (e.g. politics and economics), criterion reference guides are helpful to achieve the maximization of objectivity in the news article selection process. The following is a list of criteria subject entries that were used to search for the sampling frame of articles regarding the Japanese economy:

Japan -- Commerce, Commercial policy, Commercial
treaties and agreements, Economic conditions,

Economic history, Economic policy, Economic relations, Industries.

United States -- Commerce--Japan, Commercial treaties and agreements--Japan, Economic relations--Japan.

Investments, American -- Japan

Investments, Japanese

Foreign propagandist -- United States [Japan lobby]

Lobbyists and lobbying -- United States [Japan lobby]

The *Readers' Guide to Periodical Literature* contains *See* and *See also* references that make cross-references possible. All entries under *See* and *See also* references in the above subject entries were examined to find additional material. Most of the time, however, a particular article was classified into more than one entry. In order to avoid counting the same article more than once, titles and dates of all relevant news articles were written down by news weekly and year, which necessitated 30 news article selection sheets--three news weeklies times 10 years. Appendix B shows an example of a news article selection sheet.

There are two values in the "period" variable (i.e. 1981-1985 and 1986-1990) and three values in the "publication" variable (i.e. *Time*, *Newsweek*, and *U.S. News and World Report*), which creates a 2×3 contingency table for each research variable of the news content (See Section 2). The assumption of normal distribution requires the minimum sample number of 30 cases for each sub-population or stratum. One contingency table contained six cells which represented six conceptually different sub-populations. In addition, this research

utilized only parametric statistics. Following a more conservative method, 35 articles were randomly selected from each of the three news weeklies in the 1981-85 period, and 35 from each in the 1986-90 period, using computer-generated random numbers. Thus, the gross sample number of news articles was 210.

This sampling method is called "disproportionate stratified sampling," and was selected because relative homogeneity could be equally expected of each stratum in terms of each weekly magazine's hypothesized performance and each period's hypothesized tendency. Detailed explanation of this sampling method and validity of its use in this research is in Appendix C. Further precise analyses of the validity of the sample size are offered later in the Results section.

(2) Research variables of the news content

The research used the following three variables in the examination of the news content:

- 1) The number of "war"-related words.
- 2) The number of opinion leaders' negative opinions subtracted from the contradictory, positive opinions, both of which appeared on an unattributed basis.
- 3) The number of people who expressed their unfavorable opinions against Japan (or favorable opinions for the United States or other countries) subtracted from those of people who supported Japan (or accused the United States or other countries).

The first variable is concerned with the problem of calcification of war imagery. Hikins (1983) refers to two types of reality--"social reality" and "reality *per se*," and defines these as follows:

Social realities are the product of linguistic interaction among social groups and result when the group reaches a consensus about some object of discourse. They are predominantly *subjective* in nature, since the criteria of the truth or falsity of a social reality is whether or not it is coextensive with the consensually arrived at opinions of individual perceivers. On the other hand, reality *per se* comprises a realm external to the perceiving subject, where 'external' is to be taken as implying *independence* from and temporal priority to socially constructed attitudes, beliefs, and values. (p. 388)

Hikins' distinction between these two types of reality seems to be susceptible to philosophical counterarguments of what constitutes the ultimately objective reality, because the supremacy of "reality *per se*" over "social reality" is considerably unstable. Yet, he (1983) contends that the impinging of "reality *per se*" upon social groups may "serve to independently confirm or deny the validity or usefulness of a particular social reality" (p. 388). This seems to indicate the importance of careful analysis of various other external "facts."

For instance, Hikins (1983) argues that the U.S. nuclear attacks at the end of World War II were launched because of an American commitment to the rhetoric of "unconditional surrender," which had

served as a means of unifying Allied nations and their people, and "had by 1945 metamorphosed into a body of public opinion which operated to constrain policy makers" (p. 380). Illustrating the fact that the Truman administration finally accepted the Japanese surrender which was not "unconditional" in nature (i.e. failure of dethronement of the Japanese Emperor) and the public was generally indifferent to it once peace became reality, he states that "the rhetorically created social reality of unconditional surrender was salient to Americans (or at any rate to *most* Americans) as long as there was a war *in progress*" (p. 397).

The media has repetitively used "war"-related words in reporting Japanese economic activities. Hikins' concept of two realities indicates a danger of confinement of policy makers as well as the public's salience to a particular social rhetoric. The metamorphosis of the "war" imagery into a body of public opinion, therefore, can fixate administrative policies, depriving freedom of policy makers. As an example, the U.S. administration has recently come to resort to the so-called "Super 301" which specifically refers to new provisions included in the Omnibus Trade and Competitiveness Act of 1988. Bhagwati (1990) explains the content of this legislation:

Super 301 essentially requires the United States Trade Representative (USTR), on schedule, to prepare an inventory of foreign trade barriers, establish a priority list of countries and their unreasonable practices, and then set deadlines for their removal by the foreign countries and, should they fail to comply, for decisions on retaliation by the United States. (p. 3)

The problem with "Super 301" is at least two-fold: unilateralism and GATT-illegality. First, the United States seems to play "the roles of a self-appointed 'trade cop' and 'trade czar.'" "The world trading regime," however, "should not be built on the assumption that any one player, no matter how dominant, can impose its own rules, unilaterally claiming social legitimacy for them" (Bhagwati, 1990, pp. 36-37). Second, the use of the threatened tariff retaliation is GATT-illegal, especially in that this measure refuses GATT-postulated multilateral trade negotiations for the settlement of disputes (pp. 33-34). In this respect, exclusion of "war"-related words, which may have worked to engage the U.S. trade policy makers in adoption of one-sided, unilateral measures, seems to create a better recognition of Japanese economic activities, resulting in a mutually beneficial trade partnership.

The second variable attempts to delve into the effects of opinion leaders. As discussed earlier, all strongly resentful opinions against Japan and its people generally ignore contradictory facts. When the media provide these opinions in coverage, the question arises about their treatment.

From the general semantics standpoint, Hayakawa (1964) identifies three types of sentences that are used for the purposes of exchange of information: reports, inferences, and judgments. Report sentences are factual and verifiable, excluding inferences and judgments as far as possible. Inference sentences are statements about unknown matters made on the basis of already known things. And judgment sentences are expressions of the writer's approval or disapproval--favorable or unfavorable opinions--of whatever he or she is describing (pp. 38-50).

Lowry (1986) has expanded Hayakawa's classification to nine finer types of sentences in order to examine the construct validity of the category system. He incorporates three other dimensions: attribution, label (i.e. appearance of inferential key words), and favorability. The category system is as follows:

- 1) Report sentence/attributed;
- 2) Report sentence/unattributed;
- 3) Inference sentence/labeled;
- 4) Inference sentence/unlabeled;
- 5) Judgment sentence/attributed/favorable;
- 6) Judgment sentence/attributed/unfavorable;
- 7) Judgment sentence/unattributed/favorable;
- 8) Judgment sentence/unattributed/unfavorable;
- 9) All other sentences. (p. 574)

All negative opinions from opinion leaders are, to a more or less extent, their judgments, given the fact that all the statements have been created unfavorably toward Japan or its people. The usage of these opinions on an unattributed basis constitutes Lowry's eighth category, "Judgment sentence/unattributed/unfavorable," which was perceived by respondents as the most biased of all (Lowry, 1986, p. 578). There is a high probability, however, that strongly negative opinions presented by opinion leaders, when used unattributed in the structure of news, can be taken as given facts, because as Hayakawa (1964) suggests, "implied" favorable and unfavorable judgments contained in sentences by neglecting contradictory facts are generally hard to discern from sheer

reports. At any rate, the comparison in number between these negative opinions and contradictory, positive opinions on an unattributed basis shows how strongly an article reflects negative opinions from those opinion leaders.

Finally, the third variable addresses the issue of balanced representation of opinions in quotes. Following Lowry's (1986) category system, people's quotes which show their disapproval compose his sixth category, "Judgment sentence/attribution/unfavorable." Given the fact that people quoted for their comments are not randomly selected and selection of them depends on the judgments of reporters and editors, they are never a "good" sample representative of the population of public opinions. Accordingly, it is desirable to use the equal number of people for at least both sides of an argument to achieve balance in terms of equal opportunities for opinions.

(3) Criteria for the three research variables

A pilot study of randomly sampled 30 news articles was conducted to set up criteria for the aforementioned three research variables. Five articles were chosen from each segment of the previously selected 35 articles from each period and each magazine.

The first variable addressed the problem of calcification of Japanese economic transactions with the United States or the rest of the world in the "war" context. All "war"-related words were classified into the following four categories, which showed respectively different contexts of "war":

1. General imagery of war: war, warfare, battle, army, troops, weapon, bombshell, cannonball.

2. Reference to World War II: Pearl Harbor, 1941, World War II, Pacific War, 1945, Zero warplane [fighterplane], kamikaze, U.S.S. Missouri, MacArthur, (U.S.) victory, (Japanese) surrender.
3. Japanese offense: challenge, attack, assault, invasion, foray, inroad, encroachment, marauding, conquest, aggression, victory, beat, win, triumph.
4. U.S. defense: beleaguered, beaten, lost.

This list presents most representative forms of words (i.e. singular form of noun, abstract form of noun, root form of infinitive, etc.). Therefore, the singular form, "war," includes its plural form, "wars." The infinitive, "win," contains its past tense or past participle, "won." Also, the abstract form, "aggression," embraces its actor's form, "aggressor(s)."

For the second variable, the balance between negative opinions from opinion leaders and positive opinions contradictory to those opinions was explored. Five negative myths about Japan or its people were previously found in the "Literature Review" section. Category 1 addressed Japanese economic, political, and cultural differences which were oftentimes exemplified by the comparison of two countries' various practices or custom. The negation of this opinion was an emphasis of similarity. Category 2 connoted that the Japanese, as a whole, committed themselves to economic supremacy which was preplanned. Description of the Japanese as an economic-supremacy-driven nation, as well as the usage of such words as "plan," "scheme," or "drive," were considered to embrace this opinion. Its denial indicated no Japanese national efforts or plan for their economic dominance. Category 3

focused on the Japanese economic control of or threat to the United States or the rest of the world. Its contradictory opinion was centering on U.S. economic strength or Japan's economic downturn. Category 4 delved into how protectionist or unfair Japan was and how fair the United States was. The opposite of this opinion was the acknowledgment of the fact that the United States was also a protectionist country. Finally, Category 5 stressed harmfulness of Japan or its people. For instance, blames of unemployment were frequently cast on the Japanese. Its reverse opinion introduced the good they brought about. The following are illustrative direct quotes from the three news weeklies to demonstrate examples of affirmation (i.e. negativeness) and negation (i.e. positiveness) of each negative opinion:

1. Japan is (or the Japanese are) different.

(Affirmation) The clash over microchips also went far beyond commercial concerns in pitting two vastly different cultures [U.S. and Japanese cultures] against each other.

(Negation) The two nations [the United States and Japan] also share a common commitment to political democracy and individual liberties.

2. The Japanese have a master plan for economic dominance of the world.

(Affirmation) The intensity of the Japanese drive for global supremacy in electronics was brought to light last year when 21 executives of two Japanese companies were charged with conspiring to buy U.S. computer secrets

from an undercover agent of the Federal Bureau of Investigation.

(Negation) The jump in exports [of Japan] apparently results from an increased demand for the products, not from any major efforts to boost foreign sales.

3. The Japanese will eventually get to control America's (or the world's) economic life.

(Affirmation) Now that supremacy [American dominance in the world's electronic technology] is being threatened by a formidable and frightening competitor: Japan.

(Negation) Neither Japan nor any other country imminently threatens to gain economic control over the U.S., whose nonbank multinational corporations have assets totaling well over \$5 trillion.

4. Japan is a protectionist and unfair country (or the United States is a free and fair trader).

(Affirmation) Not only do the Japanese slap taxes on imported cigarettes to boost some of their prices 40% above Japanese brands, but they have also laid down a phalanx of other barriers.

(Negation) U.S. indignation at Japan's trade obstacles is tainted by hypocrisy, given that America has erected formidable barriers of its own.

5. Japan is (or the Japanese are) harmful.

(Affirmation) But it is clear that Japan's financial growth--at least in the short run--will come at the cost of

the U.S. and Europe just as its industry and commerce grew at their expense.

(Negation) National [National Steel] already has highly efficient plants, and the addition of Japanese technology should make the company even stronger.

Calculation of the number of negative opinions subtracted from that of positive opinions gave an article a positive/negative number or a zero for this variable. A positive number signified overemphasis of positiveness (i.e. negation of negative opinions from opinion leaders), a negative number that of negativeness (i.e. affirmation of negative opinions from opinion leaders). A zero indicated a perfect balance.

Third, the problem of attribution was examined. Individuals who appeared in news articles were judged based on whether their statements showed outright accusations of or clear support for the United States or Japan. If a person argued for both sides or made vague comments, he or she was eliminated from this analysis, because in this research seeking "balance," the statistical result remained the same. Thus, the researcher judged that this elimination would cause no serious problems. Also, collective unnamed sources, such as "Some U.S. officials say. . ." were excluded, because it was impossible to determine how many people were referred to in that sentence. The following are illustrative direct quotes from the three news weeklies to demonstrate examples of four types of attribution: accusation of the United States, support for the United States, accusation of Japan, and support for Japan:

- Accusation of or unfavorability toward the United States.
A Japanese businessman: 'You [Americans] are selling us down the river! I had to send part of my production to Hong Kong this year. Don't you realize that we think of the United States as our greatest ally? And now you are crucifying us! Why? Why don't you tell people in Washington this? They've got to do something!'
- Support for or favorability toward the United States.
Commerce Secretary Malcolm Baldrige: (Upholding 1987 U.S. trade sanctions of some \$300 million worth of tariffs on Japanese products) 'You can't rely on words. You have to rely on actions.'
- Accusation of or unfavorability toward Japan.
Deputy U.S. Trade Representative David MacDonald: 'I see a crisis in late spring or summer. The problem is the closed Japanese market itself. We are not talking about the Japanese restraining exports, we are talking about them opening up their own domestic market.'
- Support for or favorability toward Japan:
One Tokyo official: 'Restrictions on imported-cigarette sales have already been eased so dramatically that nothing further could be done without risking jobs of domestic tobacco growers,' . . .

As a result, each news article had a positive/negative number or a zero, which was the number of people favorable to Japan (including those unfavorable to the United States) minus those unfavorable to

Japan (including those favorable to the United States). Thus, a positive number signified favorability to Japan, and a negative number unfavorability; a zero was indicative of perfect balance.

(4) Statistics

The research is two-fold: changes in the U.S. news weeklies' coverage of Japanese economic activities concerned with the United States in terms of the "period" difference (i.e. 1981-85 and 1986-90 periods) and the "publication" difference (i.e. *Time*, *Newsweek*, and *U.S. News and World Report*). Two-way ANOVA was used to probe into mean differences for both types of research interests. For research variables (i.e. dependent variables) that showed any significant differences for the "publication" variable (i.e. independent variable), the Tukey's T method was used to find specifically which cell means were different from the rest.

Weighting was also used to make all news articles equivalent in terms of length. The unit was one page that normally constituted three columns. Therefore, if an article was two pages long, all results were divided by two; if two columns, 2/3 was used as a divisor. Although overall impression to the reader might have been different due to the existence of pictures and the differences in type, this method was expected to give a general weighting of news articles.

Results

Thirty-five articles were randomly sampled from each category sorted out by two independent variables--period and publication. In total, 210 articles were selected from the sampling frame of 415. Table 1 shows segmentation of news articles found in this research.

**Table 1: Number of News Articles about the
Japanese Economy Found in Three U.S.
News Weeklies between 1981-1990**

Magazines	1981-1985	1986-1990	TOTAL
Time	48	68	116
Newsweek	58	97	155
U.S. News	47	97	144
TOTAL	153	262	415

Table 2: Validation of Sample Sizes

Period	Publication	Range	Sigma	Error	n ₀	n	Minimum Sample Size
1981- 1985	Time	5	.83	.25	42.34	22.75	23
	Newsweek	8	1.33	.40	42.47	24.76	25
	U.S. News	7	1.17	.35	42.93	22.69	23
1986- 1990	Time	13	2.17	.65	42.82	26.51	27
	Newsweek	10	1.67	.50	42.86	29.94	30
	U.S. News	8	1.33	.40	42.47	29.75	30

Sigma: estimation by range/6

Error: error range fixed in $\pm 2.5\%$ or 5%

n₀: requisite sample size for infinite population

n: requisite sample size for finite population

(1) A posteriori validation of the sample size

Because determination of the sample size before conducting research contains "educated" inferences that are less precise than a posteriori inferences, it seems necessary to further examine its validity with more sophisticated procedures after attaining solid sample statistics. Appendix D offers general explanation and equations of sample size determination, which are presented in a statistics textbook by Berenson and Levine (1992, pp. 343-51).

Of the three research variables, the number of "war"-related words was considered the most important variable because of its uniqueness in

Table 3A: Raw Mean Number of "War"-Related Words by Period and Publication

Magazines	1981-1985	1986-1990	TOTAL
Time	0.77	1.83	1.30
Newsweek	1.03	2.49	1.76
U.S. News	1.66	2.66	2.16
TOTAL	1.15	2.32	1.74

F (for main effect of period) = 12.817, d.f. = 1, 204, $p < .01$

F (for main effect of publication) = 2.291, d.f. = 2, 204, $p > .05$

F (for two-way interaction) = .193, d.f. = 2, 204, $p > .05$

the media coverage of the Japanese economy. Therefore, the variable of the number of "war"-related words was chosen as the touchstone of sample size determination.

Table 2 displays precalculations of components necessary to calculate minimum required sample sizes. In the error rate of $\pm 2.5\%$ or 5% of range, it could be concluded that with 95% confidence, the sample size of each sub-population, 35, was sufficient for this research.

(2) Hypothesis testing

Hypotheses 1 and 2 were concerned with the problem of calcification of "war" imagery in the print media's coverage of the Japanese economy. Table 3A shows raw mean numbers of "war"-related words by period and publication. Since the two-way interacting effect of these two independent variables was not significant ($F = .193$, d.f. = 2, 204, $p > .05$), period and publication effects could be analyzed independently.

Hypothesis 1 stated that the coverage in the 1986-1990 period would be more biased toward the "war" context than that in the 1981-1985 period. The mean number of "war"-related words in the 1981-1985 period was 1.15, while the 1986-1990 counterpart was 2.32. Two-way

Table 3B: Weighted Mean Number of "War"-Related Words by Period and Publication

Magazines	1981-1985	1986-1990	TOTAL
Time	0.72	1.75	1.23
Newsweek	1.08	3.12	2.10
U.S. News	1.53	2.92	2.23
TOTAL	1.11	2.60	1.85

F (for main effect of period) = 14.175, d.f. = 1, 204, $p < .01$

F (for main effect of publication) = 2.500, d.f. = 2, 204, $p > .05$

F (for two-way interaction) = .562, d.f. = 2, 204, $p > .05$

ANOVA test revealed the difference was significant ($F = 12.817$, d.f. = 1, 204, $p < .01$). Therefore, Hypothesis 1 was confirmed.

The effect of subscription circulation differences on the use of "war"-related words was addressed in Hypothesis 2. It was expected that the less subscribed news weekly would present more "war"-related words. Although the mean number of those words increased as the subscription circulation decreased, the differences were not statistically significant ($F = 2.291$, d.f. = 2, 204, $p > .05$). Thus, Hypothesis 2 was rejected.

To eliminate the effect of article length, weighting was used. Table 3B exhibits weighted mean numbers of "war"-related words. The period-publication interacting effect was not significant ($F = .562$, d.f. = 2, 204, $p > .05$). For the "period" variable, the mean number of those words used in the 1981-1985 period was 1.11, and that in the 1986-1990 was 2.60, the difference of which was statistically significant ($F = 14.175$, d.f. = 1, 204, $p < .01$). On the other hand, the differences among publications were not statistically significant ($F = 2.500$, d.f. = 2, 204, $p > .05$). Therefore, just the same as analysis of raw mean numbers, per-unit (i.e. one page) comparison indicated the significant "period" effect on the usage of "war"-related words.

Table 4A: Raw Mean Number of Opinion Balance
by Period and Publication

Magazines	1981-1985	1986-1990	TOTAL
Time	-0.37	-0.77	-0.57
Newsweek	-1.29	-1.74	-1.51
U.S. News	-1.20	-0.80	-1.00
TOTAL	-0.95	-1.10	-1.03

F (for main effect of period) = .287, d.f. = 1, 204, $p > .05$

F (for main effect of publication) = 3.677, d.f. = 2, 204, $p < .05$

F (for two-way interaction) = .947, d.f. = 2, 204, $p > .05$

Hypotheses 3 and 4 dealt with the balance regarding the print media's presentation of five types of opinion leaders' negative opinions and positive opinions contravening those negative opinions in their report of Japanese economic activities. As stated earlier, the balance was defined as the number of positive opinions minus that of negative opinions in each article. A zero, thus, signified the ideal position of perfect balance in presentation of opinions.

Table 4A presents the results of raw mean numbers of balance in presentation of positive and negative opinions. Period and publication effects were independently examined since the two-way interacting effect was not significant ($F = .947$, d.f. = 2, 204, $p > .05$).

Hypothesis 3 predicted that the 1986-1990 coverage of the Japanese economy would have contained more negative opinions from opinion leaders, or be less balanced than the 1981-1985 counterpart. Although the mean numbers of the two periods followed the prediction (i.e. -0.95 for 1981-1985 and -1.10 for 1986-1990), two-way ANOVA test showed the difference was not significant ($F = .287$, d.f. = 1, 204, $p > .05$). Hypothesis 3, therefore, was not supported.

The increased use of negative opinions from opinion leaders in the

Table 4B: Weighted Mean Number of Opinion Balance
by Period and Publication

Magazines	1981-1985	1986-1990	TOTAL
Time	-0.38	-0.74	-0.56
Newsweek	-1.22	-2.23	-1.73
U.S. News	-0.88	-0.68	-0.78
TOTAL	-0.83	-1.22	-1.02

F (for main effect of period) = 1.468, d.f. = 1, 204, $p > .05$

F (for main effect of publication) = 4.889, d.f. = 2, 204, $p < .01$

F (for two-way interaction) = 1.174, d.f. = 2, 204, $p > .05$

less subscribed publication was presumed in Hypothesis 4. The mean differences were statistically significant ($F = 3.677$, d.f. = 2, 204, $p < .05$), but *Newsweek* utilized negative opinions the most of the three news weeklies. Thus, Hypothesis 4 was not accepted. Tukey's T method, a posteriori multiple comparison procedure, corroborated that at $\alpha = .05$, the mean difference between *Time* and *Newsweek* was significant while the other two comparisons were not significantly different.

Weighted mean numbers of balance between negative and positive opinions are displayed in Table 4B. The period-publication interacting effect was not statistically significant ($F = 1.174$, d.f. = 2, 204, $p > .05$). The mean number for the "period" variable in the 1981-1985 period was -.83, and that in the 1986-1990 was -1.22. This difference was not statistically significant ($F = 1.468$, d.f. = 1, 204, $p > .05$). Although the differences among publications were statistically significant ($F = 4.889$, d.f. = 2, 204, $p < .01$), the mean number of *Newsweek* was the highest in the negative, which was the same result as the analysis of raw mean numbers. Here, Tukey's T method verified that at $\alpha = .05$, the mean number for *Newsweek* was significantly different from the other two news weeklies. Therefore, per-unit (i.e. one page) comparison indicated that

Table 5A: Raw Mean Number of Attribution Balance
by Period and Publication

Magazines	1981-1985	1986-1990	TOTAL
Time	-0.31	-0.11	-0.21
Newsweek	-0.29	-0.20	-0.24
U.S. News	-0.57	-0.43	-0.50
TOTAL	-0.39	-0.25	-0.32

F (for main effect of period) = .609, d.f. = 1, 204, $p > .05$

F (for main effect of publication) = .985, d.f. = 2, 204, $p > .05$

F (for two-way interaction) = .032, d.f. = 2, 204, $p > .05$

Newsweek significantly differed from *Time* and *U.S. News and World Report* in terms of the balance in presentation of negative and positive opinions. Put another way, *Newsweek* carried negative opinions from opinion leaders the most of the three news weeklies per page.

The problem of balanced representation of people attributed was stated in hypotheses 5 and 6. This research variable was the number of people whose quotes were accusatory of Japan (or supportive for the United States) subtracted from that of people whose quotes were supportive for Japan (or accusatory of the United States). Thus, a zero signified the perfectly balanced representation of public opinion.

Table 5A presents raw mean numbers of people attributed in quotes whose opinions were either favorable or unfavorable toward Japan or the United States. The "period" and "publication" effects could be separately examined because of no significant two-way interacting effect ($F = .032$, d.f. = 2, 204, $p > .05$).

Hypothesis 5 anticipated that the coverage of the Japanese economy in the 1986-1990 period would be leaning toward overrepresentation of people who held negative opinions, than the 1981-1985 counterpart. Two-way ANOVA revealed that the mean difference

Table 5B: Weighted Mean Number of Attribution Balance
by Period and Publication

Magazines	1981-1985	1986-1990	TOTAL
Time	-0.09	-0.18	-0.14
Newsweek	-0.44	-0.21	-0.33
U.S. News	-0.88	-0.30	-0.59
TOTAL	-0.47	-0.23	-0.35

F (for main effect of period) = 1.182, d.f. = 1, 204, $p > .05$

F (for main effect of publication) = 1.445, d.f. = 2, 204, $p > .05$

F (for two-way interaction) = .807, d.f. = 2, 204, $p > .05$

between these two periods was not significant ($F = .609$, d.f. = 1, 204, $p > .05$). Moreover, contrary to the hypothesis, the 1986-1990 period had the lower mean value (-0.25) than the 1981-1985 period (-0.39). Therefore, Hypothesis 5 was rejected.

The "publication" effect on this research variable was dealt with in Hypothesis 6, which prognosticated that the less subscribed news weekly would have the higher mean in terms of representation of people embracing opinions accusatory of Japan or supportive of the United States. Although the results followed the prediction, the mean difference among the three publications was not statistically significant ($F = .985$, d.f. = 2, 204, $p > .05$). Hypothesis 6, hence, was not confirmed.

Weighted mean numbers of public opinion representation in quotes are displayed in Table 5B. The period-publication interacting effect was not statistically significant ($F = .807$, d.f. = 2, 204, $p > .05$). For the "period" variable, the mean number of the 1981-1985 period was -0.47, and that of the 1986-1990 period was -0.23. This difference was not statistically significant ($F = 1.182$, d.f. = 1, 204, $p > .05$). Also, the mean number of the 1986-1990 period was actually lower than the 1981-

1985 counterpart, which was the same result of the case of raw mean numbers. Although sample statistics showed that the less subscribed publication represented more people who held opinions unfavorable toward Japan or favorable toward the United States, the difference among publications was not statistically significant ($F = 1.445$, d.f. = 2, 204, $p > .05$).

Conclusion

The three U.S. news magazines presented more "war"-related words in the 1986-1990 period than in the 1981-1985 period. This finding corresponded to the change in trend of American opinion of Japan: Contrary to its decreasing trend in the 1981-1985 period, American unfavorability toward Japan increased in the 1986-1990 period. However, neither attributed nor unattributed negative opinions that appeared in coverage of the Japanese economy showed a significant increase in the 1986-1990 period. These results indicate that if the three U.S. news weeklies were effective in setting an agenda for the public regarding the Japanese economy, the cause of the change in American public opinion might be "war"-related words rather than attributed and unattributed negative opinions. Therefore, the influence on the public of those simple and negative "war"-related words, which have been uniquely applied to the depiction of Japanese economic activities, may be stronger than that of opinions presented by news magazines.

This research focused on the media's "valence" in terms of effective transference of the media's unfavorability of certain objects or topics to the public. Although the transference has not been universally supported, it does occur in some circumstances. In the context of the

media and public agendas, issue-specific agenda setting is generally unidirectional from the media to the public (Manheim, 1987, p. 506). Because the American public seemingly depends heavily on the media regarding information of Japanese economic activities, one possible reason for the increase in the portion of Americans who held unfavorable opinions of Japan in the 1986-1990 period is the media's increased use of "war"-related words that innately connote mutual antagonism.

The media's agenda-setting effect on the public is basically measured by the correlation between the frequency of media coverage of an issue and the salience of the issue in the minds of the public. Stated differently, agenda setting is a calcification process of particular angles of an issue. The calcification of the wartime imagery in the three U.S. news magazines was intensified in the 1986-1990 period, in which readers were expected, on average, to see more than two "war"-related words both per article and per page. The threshold of the number of those words to invoke fear and distrust of Japan in the American public is surely unknown. However, the "valence" of the media's patterned choice of those words when describing the Japanese economy may be negative enough to transfer to the public not only this issue's salience but also negativeness. Repeatedly appearing key words may become a determining factor based on those words' direction--negativeness or positiveness.

Focusing on the interdependency between real events and stereotypes, in which good relations contribute to favorable images, and vice versa, S. K. Johnson (1988) advocates a multiplicity of images that makes it difficult for one nation to predominantly hold a particular stereotype on another nation. She asserts that while each of the images,

whether positive or negative, contains a kernel of truth, "their multiplicity and impermanence should make us cautious about accepting any one of them as either fixed or wholly accurate" (pp. 170-71). In this respect, the media's choice of "war"-related words contrary to real happenings may influence the trend of American public opinion against Japan. Changes in the U.S.-Japanese economic realities no more than simply signify an expansion of their bilateral relationship in the context of macroeconomics.

Two types of balance--opinion balance and attribution balance--were examined in this research to see whether they may have been relevant to the conceivable agenda-setting effect on the public. The result is that neither seem to have had anything to do with agenda setting. One is the balance between negative opinions from opinion leaders and positive opinions contradictory to those opinions. The three news weeklies generally presented more negative opinions than positive opinions. However, the total mean numbers for both periods were close to the balancing point. This signifies little influence on the media of opinion leaders who embrace negative opinions on the media. Also, this indicates the media's high commitment to balance.

Another balance is the representation of sources who demonstrated positive or negative opinions toward Japan. Although the overall result demonstrated the media's slight overrepresentation of negative opinions, the mean number was close to zero, and therefore close to balance.

An underlying assumption was that the subscription circulation could be translated into the amount of resources available to probe into certain topics. Therefore, it was expected that the performance of *Time*

would be better than *Newsweek*, and *Newsweek's* performance better than that of *U.S. News and World Report*.

This fundamental supposition was not statistically confirmed in any of the three research variables. Whether or not a vehicle maintains a good performance does not seem to depend on its allocation of resources as determined by circulation. Rather, any difference in coverage may simply draw on each publication's editorial policy or each reporter's predisposition.

One thing to be noted, however, is that *Newsweek* showed a significantly higher negative per-article mean than *Time* in terms of balance between negative opinions from opinion leaders and contradictory positive opinions. The per-page comparison revealed that the negative mean of *Newsweek* was significantly higher than *Time* and *U.S. News and World Report*. Stated another way, *Newsweek's* editorial policy may be more susceptible to or accepting negative opinions from opinion leaders than the other two news weeklies.

Time's article, titled "Yellow-Peril Journalism," is suggestive of the U.S. media's recent tendency in coverage of Japanese business. Ellis Cose (1989), author of this article, asserts that "xenophobia" seen in journalism during a time of "yellow peril" panic over Japanese immigration is the root of the recent media's outcry against Japan. The following is the conclusion of this news article:

Dismaying though the financial trends concerning Japan may be, economics alone cannot explain the current media attitude any more than the immigration levels of the early 1900s could explain the Nippon hysteria of those years. But

modern-day Japan is hardly a suitable candidate for press pity. American reporters have a duty to be tough-minded in their exploration of Japanese business practices. Yet, publications have all too frequently reached for easy headlines and analyses that evoke some of the worse aspects of the yellow-peril era. That is unfortunate. For, to the extent that coverage of Japanese business is reduced to the 1989 equivalent of 'Japanese plan invasion of industrial fields,' journalism will be that much more diminished and readers that much less informed. (p. 79)

Discussion

In 1941, the Pacific War broke out on the so-called "Day of Infamy" of the Japanese surprise attack on Pearl Harbor. The war ended three years and nine months later, which reopened U.S.-Japanese diplomatic relations. Both countries have since expanded their political, economic, military, and cultural relationships with no conspicuous threat of tension felt on either side of the Pacific.

On the other hand, the U.S. media have kept touting for more than a decade that the United States and Japan are already engaged in another type of confrontation--"trade wars." It is not clear who initiated the application of "war"-related words to describe the U.S.-Japanese economic relationship. However, the U.S. media have contributed to make the public familiar with those words. "Trade wars" have become rhetorically-fixated realities in a society in which winning is a must. At the same time, both the U.S. and the Japanese national economic policies are now heading toward unilateralism (i.e. one-sided judgments

over fairness) and protectionism (e.g. retaliatory measures such as high tariffs).

The uniquely Japanese version of rhetorically-created "social realities" concerning its international trade is "The Japan That Can Say No," a three-volume series written by Shintaro Ishihara, Japanese Diet member, and other authors. Although Ishihara (1991) allocated one whole chapter to the explanation of various cases in which Japan should say "yes" to U.S. demands in trade negotiations (pp. 94-102), the primary objective of these books is to teach Japanese to say "no" to the United States. One example of his advocacy statements is as follows:

If we try to bend with the wind, making concessions and patchwork compromises as usual, the tempest will abate for a while, only to recur with even greater force. We must not flinch in the face of pressure. The only way to withstand foreign demands is to hold our ground courageously. No more temporizing. (p. 114)

Generally speaking, the Japanese people have a tendency to avoid apparent, unpleasant confrontations in any circumstances by making such vague statements that foreign negotiators often cannot see what they mean by "yes." (Ishihara, 1991, p. 49). In this sense, his recommendation might create more meaningful and fruitful U.S.-Japanese relationships. However, Americans' "racial prejudice," which he believes is the root cause of "Japan-bashing," is referred to so frequently with almost no mention of the Japanese counterpart that Japanese naysaying in itself has been calcified as a goal for the sake of

"no." This action is justified by pointing out that alleged American racism is a valid reason for Japanese nationalism.

When slushy opinions based on a few superficial facts such as Ishihara's gain wide popularity, they can become reasons for the justification of actions driven by nationalism. Therefore, the Japanese naysaying, no matter how meaningless it is in bilateral trade negotiations, is readily rationalized, because Ishihara's distorted image of Americans lets the United States deserve the irrationality of this Japanese political action.

As far as Japanese print media also utilize "war"-related words and other patterned words, comparison of U.S. and Japanese news weeklies should be made. Although this research did not compare U.S. and Japanese news weeklies, *Shukan Bunshun*, *Shukan Asahi*, and *Shukan Yomiuri* may be the Japanese equivalent to *Time*, *Newsweek*, and *U.S. News and World Report*. Also, other types of media should be explored as part of a transnational comparison since as Palmgreen and Clarke's (1977) research shows, the agenda setting effect differs between TV and the print media.

Although this research focused on how the five negative myths about Japan and its people were incorporated into reportage, there existed other opinions that were not classified. Exploration of those other opinions could present a more comprehensive picture of the media's coverage of Japanese economic activities.

The final recommendation for future research is the tight combination of survey and content analysis. For instance, the G2 economic summit between the U.S. and Japanese administrations normally creates a great deal of news stories in both countries. By

conducting two surveys before and after news coverage, and a content analysis of TV and newspaper coverage, causality may be indicated if significant difference is found. Comparing survey and content analysis results can enhance the quality of research much more than the general analysis of correlation.

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Appendices

Appendix A: Content analysis sheet	Page 1-2
Appendix B: News article selection sheet	Page 3
Appendix C: Stratified sampling	Page 4-5
Appendix D: Sample size determination for the mean	Page 6-8

Appendix A: Content Analysis Sheet

A. Article Number _____

B. Name of Publication _____

Name	Check One
1. Time	
2. Newsweek	
3. U.S. News and World Report	

C. Period of Article _____

Period	Check One
1. 1981-1985	
2. 1986-1990	

D. Size of Article (Number of columns / 3) _____

E. Number of War-Related Words

Type of Words	Tally	Raw #
1. General Imagery of War [war, warfare, battle, army, troops, weapon, bombshell, cannonball]		
2. Reference to WWII [Pearl Harbor, 1941, World War II, Pacific War, 1945, Zero warplane, kamikaze, U.S.S. Missouri, MacArthur, (U.S.) victory, (Japanese) surrender]		
3. Japanese Offense [challenge, attack, assault, invasion, foray, inroad, encroachment, marauding, conquest, aggression, victory, beat, win, triumph]		
4. U.S. Defense [beleaguered, beaten, lost]		
TOTAL		

F. Number of Negative Opinions from Opinion Leaders

Type of Words	Tally (Assertion)	Raw #	Tally (Negation)	Raw #
1. Japan/Japanese-- Different				
2. Master plan for economic dominance				
3. Japanese control of U.S. [World's] economy				
4. Japan--protectionist, unfair country				
5. Japan/Japanese-- harmful				
TOTAL				

G. Number of People Attributed

Nature of People	Tally	Raw #
1. Accusing Japan (or Supporting U.S.)		
2. Supporting Japan (or Accusing U.S.)		

Appendix B: News Article Selection Sheet

[illegible]

Appendix C: Stratified Sampling

A stratified sample is a probability sample that involves the following distinctive two-step procedures:

1. The parent population is divided into mutually exclusive and exhaustive subsets.
2. A simple random sample of elements is chosen independently from each group or subset. (Churchill, 1991, p. 559)

Therefore, the requirement of "simple random sampling" that "each population element has not only a known but an equal chance of being selected" (Churchill, 1991, p. 545) is applied independently to each subset of the second sampling procedure. In other words, the only one requisite to all elements is that of "probability sampling," in which "each population element has a *known, nonzero* chance of being included in the sample" (p. 538). It should be noted that each case does not necessarily have to have an equal probability of selection in case of a stratified sampling method.

In this research, a fixed sample of 35 articles was randomly chosen from each stratum for the sake of normality assumption, equal representation of each sub-population, and convenience of analyses. Thus, this stratified sampling is "disproportionate," which, according to Churchill (1991), involves "balancing the two criteria of strata size and strata variability." "With a fixed sample size, strata exhibiting more variability are sampled more than proportionately to their relative size.

Conversely, those strata that are very homogeneous are sampled less than proportionately" (p. 567). As for this research, relative homogeneity was equally expected of each stratum because of each magazine's hypothesized performance and each period's hypothesized tendency. Therefore, there seemed to be no problem with this sampling method that took equal representation more importantly than relative proportion.

Appendix D: Sample Size Determination for the Mean

In determining the sample size for estimating the true population mean, three factors need to be specified in advance: error, confidence level, and population standard deviation. To develop a formula for determining the sample size, the following formula of z-score, z , for sampling distributions of the sample mean from a normal population should be first introduced:

$$z = \frac{\bar{X} - \mu_x}{\frac{\sigma_x}{\sqrt{n_0}}}$$

where \bar{X} is the sample mean, μ_x is the population mean, σ_x is the population standard deviation, and n_0 is the sample size. Multiplying both sides by the denominator of the right side, the above equation results in the following one:

$$z \frac{\sigma_x}{\sqrt{n_0}} = \bar{X} - \mu_x$$

The difference between the sample mean and the population mean in the right side is called the sampling error. Therefore, the sampling error, e , is defined as

$$e = \frac{z \sigma_x}{\sqrt{n_0}}$$

Solving this equation for n_0 , the following equation results as the formula to be used for sample size determination without considering the finite population correction factor:

$$n_0 = \frac{z^2 \sigma_x^2}{e^2}$$

In this research, however, random sampling was conducted six times--one for each finite sub-population that was segmented out, based on its publication and period. When the population is finite, which necessitates involvement of the finite population correction factor, the sampling error is given by the following modified equation:

$$e = z \frac{\sigma_x}{\sqrt{n}} \sqrt{\frac{N-n}{N-1}}$$

where n is the sample size for the finite population, and N is the finite population size. Solving this equation for n ,

$$\sqrt{n} = z \frac{\sigma_x}{e} \sqrt{\frac{N-n}{N-1}}$$

Squaring both sides,

$$n = \frac{z^2 \sigma_x^2}{e^2} \frac{(N-n)}{(N-1)}$$

Using the equation (n_0) for the sample size determination without considering the finite population correction factor,

$$\begin{aligned}
 n &= n_0 \frac{(N - n)}{(N - 1)} \\
 n(N - 1) &= n_0 (N - n) \\
 n(N - 1) &= n_0 N - n_0 n \\
 n(N - 1) + n_0 n &= n_0 N \\
 n(N - 1 + n_0) &= n_0 N \\
 n &= \frac{n_0 N}{N - 1 + n_0}
 \end{aligned}$$

Therefore, the following formula results, which seeks to determine the sample size for the finite population:

$$n = \frac{n_0 N}{n_0 + (N - 1)}$$

Unfortunately, in most cases such as this research, σ_x is unknown for lack of previous research data. As an educated guess, if a normal distribution is assumed, the range is considered approximately equal to $6\sigma_x$ (i.e. $\pm 3\sigma_x$ around the mean), so that σ_x can be estimated as range/6 for a normally distributed variable.

The smaller the sampling error e and the higher the confidence level, the more accurate the estimation. In this research, the proportion of e was fixed in $\pm 2.5\%$ of the range, and the z-score of 1.96 for 95% confidence level was chosen.